



COMMUNICATION ON PROGRESS 2014

Dalberg Global Development Advisors (“Dalberg” or “we”) has been a member of the United Nations Global Compact (“UNGC” or “The Global Compact”) since 2007 and endorses the 10 universally accepted principles of the Global Compact in the areas of human rights, labor, environment and anti-corruption.

Our commitment to the Global Compact’s principles is exemplified most strongly through our client engagements, publications and internal initiatives including:

- **Partnership with United Nations Global Compact:** We published a report, “Architects of a Better World” in which we lay out a framework for UNGC to engage the private sector in supporting the post-2015 development agenda. Previously, Dalberg has supported the UNGC by helping it establish transformational partnerships between the United Nations and businesses, and identify best practices for such cooperation. We have also authored several reports for the UNGC.
- **Promotion of human rights:** We helped our clients – most notably USAID’s Bureau of Democracy, Conflict, and Humanitarian Assistance and World Wildlife Fund – to mobilize humanitarian aid efforts, advocate for human rights and protect vulnerable populations.
- **Labor:** We offer social benefits at levels exceeding/comparable to other leading professional services firms in their respective countries of operation. Additionally, we promoted good labor practices by implementing recommendations stemming from an anonymous, internal survey of all current staff to examine employee perceptions of the firm and its value proposition.
- **Environmental sustainability:** We worked with a broad range of actors to develop environmentally friendly solutions. These included: GreenNYC, World Wildlife Fund, UN Foundation and Rockefeller Foundation.
- **Anti-corruption and promotion of good governance:** We fought corruption by strengthening good governance within United Nations agencies, corporate CSR efforts, and catalytic investment funds, providing all with robust frameworks that ensure transparency.

As a firm dedicated to addressing the world’s most pressing challenges, the principles mainstreamed by the Global Compact are the same guiding Dalberg’s development efforts and internal policies. Going forward, we will continue to promote the principles and the UNGC in our communications, but more importantly, through our international development activities.

A handwritten signature in black ink that reads 'Paul Callan'. The signature is written in a cursive, flowing style.

Paul Callan, Global Operating Partner
28 May 2014

Firm Description

Dalberg Global Development Advisors is a strategy and policy advisory firm exclusively dedicated to global development and innovation. Established in New York in 2001, our mission is to mobilize effective responses to the world's most pressing issues and to raise living standards in developing countries. We strive to achieve social impact by creating value for our clients.

Our core advisory services include: (i) developing innovative strategies, approaches and market mechanisms; (ii) reforming internal organizational processes and structures; (iii) analyzing global markets and developing market-entry strategies; and (iv) coordinating and facilitating large, multi-stakeholder initiatives. We focus on 12 key sectors:

- **Access to Finance** – Improving access to finance in underserved and emerging markets by connecting investors and capital providers to private and social entrepreneurs
- **Agriculture & Food Security** – Helping organizations identify, design and implement solutions that benefit agricultural market participants and increase food security
- **Conflict, Human Rights & Humanitarian Aid** – Helping organizations to address effectively the unique development challenges faced by conflict-affected and post-conflict countries
- **Education** – Expanding global access to high-quality education and training at all levels by understanding market needs and effective approaches to learning, strengthening public systems and facilitating public-private partnerships
- **Energy & Environment** – Working with public and private sector organizations to transform markets, make sound supply-side choices, access financing, enhance energy access, or develop strategies to address key environmental risks
- **Gender Empowerment** – Developing strategies and designing programs that enable organizations to leverage resources toward greater gender equity
- **Global Health** – Identifying, designing and implementing solutions that improve health across the globe
- **ICT & Mobile for Development** – Harnessing the power of information and communication technologies to foster innovation, improve quality, expand access and drive accountability
- **Impact Assessment** – Helping foundations, NGOs and corporations measure the effectiveness of their development interventions
- **Inclusive Business** – Enabling corporations to utilize Base of the Pyramid communities as either consumers or contributors along the value chain
- **Inclusive Growth** – Helping countries and regions develop programs and agendas that lead to economic growth beneficial to and inclusive of all people and businesses
- **Strategy & Performance** – Helping governments and leading development organizations have a greater impact on the lives of people they serve through better strategies and more effective organizations

Dalberg has a global footprint. Dalberg has a network of 11 offices located in Copenhagen, Dakar, Geneva, Johannesburg, London, Mumbai, Nairobi, New York, San Francisco, Singapore and Washington,

D.C. We serve clients across Africa, Asia, North and South America, and Europe and have fielded teams on the ground to provide global-local perspectives in more than 90 countries.

Dalberg has a highly talented staff that has lived and worked in developing countries, fostering a unique depth of development expertise. We combine this insight with experience from top-tier professional services firms and leading academic institutions to create actionable solutions. Our diverse staff is representative of our clients and their beneficiaries and is comprised of:

- 60% women and 40% men
- More than 30 nationalities
- More than 25 languages

Dalberg has an extensive track record of success and innovation across public, nonprofit and corporate sectors. During the last 13 years, Dalberg has successfully completed more than 1000 engagements for more than 400 leading multilateral institutions, international agencies, foundations, NGOs, governments and global corporations operating or investing in frontier and emerging markets. We act at the forefront of development innovation, working extensively with leading social innovators, such as the Bill & Melinda Gates Foundation, Rockefeller Foundation and Skoll Foundation, and a broad range of international organizations, including the Global Fund and Human Rights Watch. We advise a broad range of private sector clients, including 10 Fortune 200 Global companies, and have partnered with dozens more. We have advised developing country governments and regional and international development finance institutions, including the World Bank, International Finance Corporation (IFC), African Development Bank (AfDB), Asian Development Bank (ADB) and Inter-American Development Bank (IADB), as well as numerous UN agencies at headquarter and field levels.

Dalberg's Global Compact COP will be available on the UNGC website and will be referenced on our own website, www.dalberg.com. For any questions or comments, please contact:

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Human Rights

- **Principle 1:** Business should support and respect the protection of internationally proclaimed human rights
 - **Principle 2:** Business should ensure that they are not complicit in human rights abuses
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ASSESSMENT, POLICY AND GOALS

Dalberg supports staff members in developing social impact initiatives both locally and globally, including initiatives that support and respect the protection of internationally proclaimed human rights. In order to support personal commitments to being good citizens, Dalberg has a sabbatical policy that enables staff members to work on social impact projects unrelated to client work in a developing country for two weeks to four months, depending on their tenure.

Additionally, Dalberg's work in the international development sector requires us to be highly conscious in our choice of clients, subcontractors and partners. Dalberg seeks to work only with clients of the utmost integrity, who are globally respected, and are seeking outcomes that improve the condition of people in developing countries. As such, every partner overseeing business development and project implementation activities takes personal responsibility to ensure our clients are not involved in any human rights abuses.

IMPLEMENTATION

In the last year, Dalberg engaged with a variety of actors under our dedicated Conflict, Human Rights and Humanitarian Aid practice. For example:

- **Dalberg helped mobilize humanitarian aid efforts.** We were engaged to identify opportunities for improved coordination and collaboration across USAID's Bureau of Democracy, Conflict, and Humanitarian Assistance (DCHA) nine offices when responding to humanitarian emergencies and political transitions.
- **Dalberg worked to protect indigenous populations.** Dalberg was engaged by World Wildlife Fund International to conduct an independent study on the economic and social value of the Virunga National Park in support of the WWF global campaign to protect Virunga from the threat of oil exploration.

MEASURE OF OUTCOMES

In the past year, Dalberg has not been involved in any investigations, legal cases or incidents involving Human Rights violations.

In addition, we have written articles in prominent development publications reinforcing our support for universal human rights:

- **Dalberg helped shaped the conversation on urban planning and inclusive growth.** We published an article in Stanford Social Innovation Review entitled “What Makes a ‘World-Class’ City” in which we encourage urban planners to be more inclusive of the city’s poor. We redefine successful planning in terms of shared economic prosperity among all the city’s residents.
- **Dalberg worked to advance the rights of women.** Our article in Dowser entitled “A Short Guide to Understanding Female Genital Cutting” provides an overview of the practice and its harmful effects. It offers guidance and showcases organizations that are making meaningful progress in ending FGC.

Labor

- **Principle 3:** Business should uphold the freedom of association and the effective recognition of the right to collective bargaining
 - **Principle 4:** Business should support the elimination of all forms of forced and compulsory labor
 - **Principle 5:** Business should support the effective abolition of child labor
 - **Principle 6:** Business should support the elimination of discrimination in respect of employment and occupation
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ASSESSMENT, POLICY AND GOALS

While the nature of Dalberg's professional services work does not necessitate staff union membership, our Corporate Policies provide for a system whereby employee concerns and grievances can be addressed via elected staff representatives.

We uphold the elimination of all forms of forced, compulsory or child labor and observe and support the ILO conventions outlawing such. In addition, as a matter of principle and reputation, we seek to ensure that these practices do not take place in our client, partner and sub-contractor organizations.

Finally, as an international consulting firm, Dalberg actively seeks to recruit a team that reflects the gender and ethnic diversity of our clients and their beneficiaries. Our Corporate Policies ensure staff members are recruited based on their ability to do the job; no distinction, exclusion or preference is given on any other grounds.

IMPLEMENTATION

Dalberg's Corporate Policies are posted prominently on our internal knowledge management system and are accessible by all staff. They are accompanied by an open discussion forum that communicates directly with Dalberg's Global Managing Partner, Global Operating Partner, and the Chairman of the People and Values Committee. For confidential employee grievances and concerns, we have an established Ombudsperson system. The Ombudspersons are nominated by staff globally and retain the position for a period of at least one year. These representatives have direct access to Dalberg senior management and the responsibility to bring up issues of concern to staff.

In addition, Dalberg seeks to be a leading employer by recognizing the importance of maintaining an enjoyable and supportive working environment and providing social benefits. Each of our offices aims to provide benefits like health, dental, pension, maternity and paternity leave, etc. at levels exceeding/comparable to other leading professional services firms in their respective countries of operation. We promote team work and individual professional development through regular office-level retreats, an annual global retreat, regular office-level skills training sessions, 360-degree feedback reviews and individual staff professional development plans.

Dalberg is in the process of implementing recommendations stemming from an externally administered anonymous survey of all current staff and a group of former staff that examined employee perceptions of the firm and determined the firm's value proposition. Our progress to-date has been discussed freely across all employment levels in an all-staff teleconference.

MEASURE OF OUTCOMES

In the past year, Dalberg has not been involved in any investigations, legal cases or incidents involving contravention of ILO conventions or the Global Compact labor principles.

Additionally, Dalberg's efforts to build and maintain a diverse staff and a supportive, non-discriminative corporate environment are apparent in our staff statistics:

- 60% women and 40% men global workforce
- 41% women and 59% men partner group
- More than 30 nationalities represented
- More than 25 languages spoken

Environment

- **Principle 7:** Business should support a precautionary approach to environmental challenges
 - **Principle 8:** Business should undertake initiatives to promote greater environmental responsibility
 - **Principle 9:** Business should encourage the development and diffusion of environmentally friendly technologies
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ASSESSMENT, POLICY AND GOALS

Dalberg is committed to fostering and promoting a clean environment and meeting environmental challenges through a wide range of efforts to monitor and reduce the carbon footprint of our individual staff and the firm as a whole.

Wherever possible, Dalberg raises awareness among our staff and guides them to the most environmentally friendly choices. Our travel policies, posted on our internal knowledge management system and available to all staff, advise use of the most environmentally sound methods of travel. In addition, members of our dedicated Energy and Environment practice foster internal and external dialogue on environmental challenges through monthly calls and email updates, blog posts and articles.

IMPLEMENTATION

In the last year, Dalberg worked with a wide range of clients to develop environmentally-conscious strategies, build knowledge around environmental markets, and promote the development and diffusion of environmentally friendly technologies. For example:

- **Dalberg promoted sustainable business practices.** We partnered with the Rockefeller Foundation to identify strategies and approaches for the sustainable management of 25 coastal fisheries by 2020 in order to maximize social and economic resilience and provide more equitable opportunities for the 5 million people that depend on them, especially the poor, vulnerable and marginalized.
- **Dalberg worked to decrease pollution by one of the world's largest economies.** We conducted an in-depth market assessment of the cookstoves and cooking fuels sector in China and developed detailed recommendations to catalyze the clean cookstoves market.
- **Dalberg made advances in the proliferation of green energy in South Asia.** We conducted an in-depth study to identify the specific barriers that companies face in accessing finance in the renewable energy sector in India.
- **Dalberg worked with UN Foundation to curb the use of traditional biofuels.** We conducted an in-depth market assessment on the use of LPG as a cooking fuel vis-a-vis other traditional fuels, so as to better understand the current environment and future trends, with an aim to increase the uptake of LPG which will provide cleaner cooking solutions, improve health outcomes, reduce deforestation, and create new jobs

MEASURE OF OUTCOMES

In the past year, Dalberg has completed at least 16 projects related to environmental issues. During the same period, our firm published ten related insights on D. Blog, including a well-received infographic on the carbon footprint of the internet. We also authored or contributed to seven public reports concerning energy and the environment. For example:

- **Dalberg worked to protect endangered species.** Our report on Illicit Wildlife Trafficking in conjunction with WWF analyzes the social, economic and environment repercussions of wildlife trafficking, encouraging a more effective response to it.
- **Dalberg worked to decrease pollution in our environment.** In our report for the Global Alliance for Clean Cookstoves, we contributed to global anti-pollution efforts by enhancing our client's sector market intelligence and developing their strategy for intervention at country level.
- **Dalberg contributed to reducing the carbon footprint of our community.** We produced a report for GreeNYC entitled "New Yorkers' Contributions To A Greener, Greater City: A Behavioral Impact Study". In it, we highlight the target groups poised to make the biggest impact in reducing the city's carbon footprint and advise on the most effective means of engagement.

Anti-Corruption

- **Principle 10:** Business should work against corruption in all its forms, including extortion and bribery
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ASSESSMENT, POLICY AND GOALS

Dalberg observes and supports the United Nations Convention against Corruption. We seek to support governments, UN agencies and civil society to realize a more transparent global economy.

As a firm, we have strict Corporate Policies to avoid bribery, extortion and other forms of corruption both in home office countries and in the field. Where there are concerns, Dalberg includes specific provisions in our contractual arrangements with clients prohibiting any such behaviour.

IMPLEMENTATION

Internally, Dalberg has established a global comptroller position to centralize financial oversight, thus promoting greater transparency.

Our primary contribution to a transparent global economy comes in the form of our client work. In the last one to two years, we worked with a wide range of clients on governance issues. For example:

- **Dalberg promoted good governance within the UN system.** We worked with the United Nations Environment Programme to conduct a strategic review covering its mandate and governance structure, among other functions. We delivered recommendations to strengthen governance across program areas and enhance efficiency.
- **Dalberg helped Indian corporations establish CSR practices.** We collaborated with the Federation of Indian Chambers of Commerce and Industry (FICCI) to conduct a workshop for corporate representatives to design high-impact CSR initiatives that satisfy India's new CSR mandate.
- **Dalberg designed governance structures for two, new investment funds for developing countries.** We designed and launched two catalytic funds, in the green and education sectors respectively, instituting governance structures to ensure transparency around investments in small- and medium-sized enterprises and education programs.

MEASURE OF OUTCOMES

In the past year, Dalberg has not been involved in any investigations, legal cases or incidents involving corruption or bribery.

In addition, we maintain transparent financial records via an annual audit with accredited accounting firms in each of our countries of operation.