First Meeting of the Urban Private Sector Advisory Board (UPSAB)

Amsterdam, 9 September 2011  
Hosted by: 
VENUE: RBS/ABN-AMRO Building  
Gustav Mahlerlaan 10, Amsterdam Zuid

The First Urban Private Sector Advisory Board (UPSAB) meeting was held on the 9 September 2011 at the RBS/ABN-AMRO building in Amsterdam, the Netherlands. This meeting gathered 15 representatives from UN-HABITAT, ARCADIS, the World Business Council for Sustainable Development (WBCSD), Veolia Environment, Nomadeis, BASF, This is Africa, Siemens, GDF-Suez, J.A.O. Design International, Arup, the Penn Institute for Urban Research, and Financial Times.

Christine Auclair of UN-HABITAT and Bert Smolders of ARCADIS welcomed the participants, who then introduced themselves. Christine Auclair reviewed the meeting agenda for adoption.

Christine Auclair reviewed the report from the last GC23 Private Sector Strategy Meeting (14 April 2011), which resulted in the formalization of UPSAB. Through this process, Private Sector partners have reaffirmed their commitment to supporting sustainable urban development practices, and have agreed to pursue a road map in order to turn the Core Business Principles into actions. UPSAB was established to foster cooperation and partnership and to provide cutting edge advice, information and expertise, as well as advice to UN-HABITAT. The mission of UPSAB is to go forward as a key group among the official Habitat Agenda Partners.

Christine Auclair then reviewed the UPSAB Terms of Reference with participants. There was consensus on the addition of one point to the Terms of Reference:

- A-3: Urban Private Sector Advisory Board aims to represent private sector interests in platforms, campaigns and other initiatives organized by, or under the auspices of UN-HABITAT, such as the World Urban Campaign.

With the addition of this clause, the Terms of Reference were approved. Elections were held on the basis of the approved Terms of Reference with the following results:

- Chair: Christian Kornevall – WBCSD
- Co-Chair: Katharina Felgenhauer – BASF
Ana Moreno presented the outcomes and aims of UN-HABITAT’s organizational restructuring:

- Increase efficiency in the field.
- Increase productivity.
- Improve transparency.
- Improve accountability.

These four main objectives were highlighted in peer reviews from donors as primary challenges for UN-HABITAT in the field. The organizational restructuring has also resulted in a project-based core approach for UN-HABITAT. There will be fewer small projects and more large ones with a minimum budget of $300,000. These projects will have a new management structure:

- A project director
- A project administrator
- A flexi-team – a pool of UN-HABITAT international and professional staff that will be called in to work on various projects

There will no longer be any separation of normative and operational work on projects.

Following this presentation, the Secretariat reported on Rio+20 in terms of preparation and organizational review. The World Business Council for Sustainable Development will be in charge of coordinating the Private Sector activities at Rio+20, and UN-HABITAT will be involved in the preparatory processes. The *I’m a City Changer* campaign (part of the World Urban Campaign) will ideally be launched at Rio+20.

Christine Auclair reviewed the proposed activities for the Sixth Session of the World Urban Forum on behalf of the Secretariat, and opened them up to discussion. There will be a Business Assembly at the World Urban Forum on the mornings of Day 2 and Day 3, which will focus on the future prosperity of the city, as well as a Business roundtable on city competitiveness and the drivers of changes. The Advisory Board concluded that an UPSAB meeting will need to be held beforehand (Saturday, 1st Sept. 2012) with the possibility of having virtual meetings in the interim.

**Partner Presentations:**

Bert Smolders presented on behalf of ARCADIS, reviewing their key projects from the past year and those planned for 2011-2012. These include contributing on green building standards in Africa, earthquake relief, sanitation and planning support in Haiti, coastal protection planning in St. Louis, Senegal, and drainage, sanitation and coastal planning initiatives in the Philippines. ARCADIS will be undertaking similar initiatives this coming year in Mozambique, Indonesia, Rwanda, Burkina Faso as well as follow-up in Haiti and Senegal. ARCADIS, in conjunction with UN-HABITAT’s Training and Capacity Building branch, will be hosting the Shelter Academy in September 2011 in Rotterdam, the Netherlands. This initiative will bring together experts and decision-
makers from coastal municipalities worldwide to disseminate knowledge on how cities can adapt to and handle the impacts of climate change.

Karen Stelzner from Siemens presented several initiatives which her organization is currently undertaking: the Green City Index, the Future Dialogues conference series and the Urban Sustainability Center in London, United Kingdom. The Green City Index is an assessment project in conjunction with the Economist Intelligence Unit measuring the sustainability performance of over 100 cities worldwide. Beyond presenting rankings, The Green City Index identifies best practices stemming from political, economic and civil society actors that can be emulated by other cities. The Green City Index serves as a best practice-sharing tool that allows cities to learn from each other. The second initiative presented was the Future Dialogue conference series, which Siemens organized in conjunction with the Max Planck Society. The third conference will be held in Delhi, India this September, and focuses on sustainable urban development in the context of the developing world. The conference will include speakers from business, research, politics and society. The third initiative was the Urban Sustainability Center in London, United Kingdom, which will serve as a meeting point and exhibition center for urban sustainability experts from around the world. It will serve as a conference center, an exhibition center for green technologies and a workspace for urban sustainability experts. The buildings itself is LEED certified Platinum, and will be fully operational in July of 2012 in time of the Olympics.

Debra Lam of Arup discussed the key findings and methodology from the Climate Action in Megacities Report. The Climate Action in Megacities Report was formed out of C-40 in 2005, and is a group of 59 large cities that have banded together to combat climate change and chaired by Mayor Bloomberg of New York City. Arup serve as the strategic advisors to the Climate Action in Megacities Report, and have hosted workshops with member cities worldwide. The methodology is divided into three crosscutting groupings:

1. Powers – Understanding where cities have the capacity to undertake initiatives. This entails measuring whether the city has the regulatory, operational and financial powers to make changes and undertake initiatives/
3. Opportunities – Understanding the powers and baseline actions, what measures can cities take?

The results show that in aggregate, C-40 cities have ample power to deal with sectors such as buildings, but limited capacity with issues of water supply. While a lot of powers are in place across all cities, the results still vary according to context. The Climate Action in Megacities Report found over 4,700 actions taken by C-40 cities in the form of policies, programs and projects that are either planned or underway. These results are well distributed worldwide. The key finding from the report is that collaboration works. Cities were generally unwilling or hesitant to pioneer new initiatives, so the knowledge-sharing capacities of the Climate Action in Megacities Report has proven beneficial to promoting sustainable urban development initiatives.

Katharina Felgenhauer on behalf of BASF presented how the company implements the “Business Principles towards Sustainable Cities” and promotes the urban agenda in the form of three clusters:
1. An integrated approach to urban development – Demographic change, urbanization, energy and resources and mobility and communication.

2. An environmentally sound built environment – environmentally friendly materials such as insulation, coatings that absorb or reflect sunlight and concrete additives that make the construction process less energy intensive.

3. An inclusive and equitable approach to urban development – ensuring that urban infrastructure and basic services are accessible to all tiers of society. BASF in conjunction with Cemex is involved with one particular project in Mexico that provides 10,000 new and affordable homes utilizing their concrete additives technology. BASF also contributes materials to panelized housing that can be rapidly assembled and used in initiatives such as slum upgrading, temporary shelter or disaster relief.

BASF has made strides to engage local populations, undertaking one initiative with UN-HABITAT in Mexico funded by a BASF employee donation campaign to upgrade water and sanitation infrastructure at local schools while raising awareness with students. This initiative, along with UN-HABITAT’s agenda, will be presented at BASF’s Open House Day (Sept 24). BASF also reconfigured their website to promote stories of successful urban development initiatives as opposed to emphasizing products alone, and will raise awareness of the challenges of sustainable urban development. BASF has worked to strengthen their partnerships, and a report by the Global Compact will be presented to the Secretary General at the Private Sector Forum on the 20th of September featuring the partnership with UN-HABITAT as an example of best practices. BASF is currently looking for ways to raise awareness over issues of Sustainable Urban Development at the World Urban Forum.

Christian Kornevall presented on the activities of the Urban Infrastructure Initiative (UII) within the World Business Council for Sustainable Development (WBCSD). The UII aims to prove that the private sector can deliver cost-effective solutions to issues of sustainable urban development if they enter into the agenda setting process early. The UII strives to deliver multi-company, collaborative solutions. The WBCSD is co-chaired by Cemex, GDF-Suez and Siemens, and member companies include Acconia, Aecom, AGF, EDF, Honda, Nissan, Philips, Tepco, TNT, Toyota and United Technologies. The UII aims to work with cities’ visions and political agendas in the formation of their action plans to generate innovative ideas and influence more cost-effective and sustainable solutions. This procedure consists of preparing an internal issue landscape report for cities, and then sending in transformation teams from WBCSD and UII companies to work jointly on producing a solution landscape report. WBCSD works with evaluative bridging institutions in each region, namely the Urban Land Institute in North America, The World Bank in the Middle East and East Asia, the Inter-American Development Bank in Latin America, the ICLEI in Europe and the State of Gujarat in India. So far, the UII has completed or plans to undertake collaborative planning measures in:

- Turku, Finland.
- Tilburg, the Netherlands.
- Rajkot, Ahmedabad, Surat and Vadadora, India
- Philadelphia and Dallas in North America
- Projects coming soon in Africa with UN-Habitat (possibly Malawi, Cape Verde, Mozambique and/or Mauritius)
- Projects coming soon in Latin America
James Jao presented on the activities of J.A.O. Design International. The company provides development services in China, with the aim of providing world-class zero-carbon and environmentally friendly construction and design for the general Chinese public. J.A.O. Design International has been actively involved with the Ministry of Urban and Rural Development, and is amenable to the Chinese political system. J.A.O. Design International has also worked closely with the Chinese National Development and Reform Commission to produce a set of financial incentives for green building in China. Several of J.A.O. Design International’s low-carbon projects include the Railroad Pavilion for the Railroad Ministry at the Shanghai Expo, several energy-efficient high-rise buildings and a new zero-carbon city in Inner Mongolia. J.A.O. Design International aims to be a strategic local partner for executing projects in China.

UPSAB Strategy Session:

In the afternoon, Katharina Felgenhauer, as the UPSAB Co-Chair, opened the debate by asking partners to voice their expectations:

- Karen Stelzner expressed the expectation to access to different expertise, to get access and visibility with city-stakeholders, to have access to UN-HABITAT, the World Urban Campaign and the World Urban Forum, and the members of UPSAB.

- Eugenie Birch emphasized the expectation of continuing to have access to knowledge sharing, especially regarding sustainability benchmarking tools and indicators.

- Cédric Baecher expressed the opinion that UPSAB is an innovative tool, and an effective channel to collect views of the private sector and contribute to the governance of UN-HABITAT. He found best practice sharing to be not as much a priority as the brainstorming and collaborative potential that UPSAB brings.

- Maarten Brouwer expressed the opinion that best practices can help out even in small initiatives, and would like to see them better incorporated to fieldwork.

- Raphaele Yon-Araud expressed that GDF-Suez valued the sharing of prospective thinking and access to other expertise. She contended that the most difficult challenge is going from general prospective thinking and possible scenarios to action and operational work. She found another challenge to be not only voicing the private sector’s views or expectations towards public powers, but to learn how to work with all actors and stakeholders. She expressed the desire to be multilateral rather than bilateral in UPSAB’s methodology.

- Katharina Felgenhauer emphasized the expectation and desire to continue facilitating the exchange of motivations, knowledge and issues
• Nicholas Dutreix expressed the expectation to have a consultative process of what other groups at UN-HABITAT would like to have an answered from the private sector. He expected the establishment and dissemination of the right tools and concepts and to help educate actors involved with sustainable urbanization.

• Gabrielle Daniels-Gombert asserted the need to produce quantifiable or tangible results from UPSAB as well as the need to have clear steps and progress.

• Eric Anderson similarly voiced the expectation to have demonstrable outcomes for UPSAB activities.

• Christine Auclair expressed that UN-HABITAT’s expectations are to develop a common positioning and the strong need to establish a common voice on urbanization issues. If the private sector has something to declare jointly, it will be more influential and more powerful.

Katharina Felgenhauer summarized these expressed expectations into five categories:

1. Access to knowledge sharing tools, expertise and gaining different perspectives, as well as the exchange of information and experiences.
2. Access to partners and access to opportunities for cooperation.
3. Opportunities that arise from access to stakeholders, e.g. input channels to policy-making and governance.
5. Visibility, and raising the Private Sector’s voice together.

Katharina Felgenhauer summarized the expressed challenges:

• Challenges of representation - UPSAB aims to represent the private sector, yet it is not comprehensively representative of the private sector and has a regional bias.
• How to align messages of UPSAB members in alignment with other policy channels?
• How does UPSAB go about raising awareness, and how do we align the messages that each member brings to the table?
• Issues and challenges of measurement and traceability.
• How to provide short-term incentives for members in order to achieve long-term objectives?

She noted that November 1st will be the deadline for inputs to the background document for Rio+20. In addition to other input processes to Rio+20, UN-HABITAT is preparing a statement UPSAB can provide thereby advises UN-HABITAT Katharina Felgenhauer, Cédric Baecher and Raphaëlle Yon-Araud volunteered to make inputs and coordinate with the Secretariat and UPSAB members for finalization. Karen Stelzner suggested UPSAB side events during Rio+20.

The members discussed the logistics of UPSAB representation at the World Urban Forum and the logistics of upcoming preparations. Issues included:
• Conferencing and meeting beforehand: an UPSAB meeting will be held on Saturday, 1st Sept. 2012, before WUF to align messages. Preparatory discussions will take place in UPSAB telephone conferences until then.
• The possibility for telephone conferencing: every six weeks; invitations will be sent out by Chair / Co-Chair.
• Eligibility for participation: should sessions be open to non-private sector representatives? Who should be invited to panel discussions?
• Thematic focus and logistics for roundtables; the theme “City Competitiveness, Drivers for Change” has been approved
• One or two sessions of Business Assembly: two sessions will provide more opportunities to private sector partners; the proposal to arrange the discussion around ‘phases’ of urban development (design/planning, building infrastructure, financing and governance) was well-received. This should give enough room to include topics important to partners, e.g. ‘technology’ or ‘early involvement in city planning’.
• Representation and visibility of smaller stakeholders and small business; UPSAB members are requested to inform their partners of UN-HABITAT, WUF and UPSAB.
• An exhibition at the World Urban Forum?

The Chair/Co-Chair will distribute an agenda to UPSAB members before the World Urban Forum. Members noted that UN-HABITAT should consider allowing a representative from UPSAB to make an introduction at the World Urban Forum on behalf of the private sector, as well as a voice in the closing.

Conclusion and Way Forward:

• Katharina Felgenhauer suggested regular phone conferences every 6 weeks; invitations will be sent out by Chair / Co-Chair.

• Suggested Homework: Think of SMEs and small partners to contact them about WUF, UPSAB and UN-Habitat to raise awareness and inform about channels they can use.

• Share best practices with UPSAB members and feed them into the existing processes (World Urban Campaign, Urban Gateway). (contact: Eugenie L. Birch)

• For Rio +20: Align and draft messages with contact people. These will be shared with everyone for comments by email. A briefing from UN-HABITAT will be expected. (contact: Katharina Felgenhauer, Cédric Baecher, Raphaële Yon-Araud). Collect ideas for UPSAB side events during Rio+20 (contact: Karen Stelzner, Debra Lam).

• For the World Urban Forum, UPSAB will continue the discussion about the Business Assembly and Roundtable (organization, panels, invitations/guests, etc.). Members are invited to raise their voice and share ideas during the regular UPSAB telephone conference.
• There has been no specified role, mandate or terms of reference for the Chair and Co-Chair positions. It would be beneficial to collect comments and produce draft guidelines to these ends. A first draft will be shared with UPSAB by the Secretariat for comments before approval. (contact: Maarten Brouwer)

Katharina Felgenhauer thanked the participants and adjourned the meeting.
Annex A

Meeting Agenda

**Introductory session** 9.00-10.00 AM
- Welcoming and introduction of participants
- Adoption of the meeting agenda
- Report of the last GC23 Private Sector Strategy Meeting
- Presentation of UPSAB’s roles and terms of reference

**Election – UPSAB Chair and Co-Chair** 10.00-10.30 AM
- Presentation of the candidates
- Election for the posts of UPSAB Chair and Co-Chair

10h30-11h00: Coffee break

**Partners reports and case Studies** 11.00 AM- 1.00 PM

1.00 – 2.00 pm: Lunch

**Strategy Session: Operationalizing UPSAB** 2.00-4.30 PM
- Moving beyond the Core Business principles: towards UPSAB Strategic Guidelines
- UPSAB Knowledge Sharing Tools
- UPSAB Dissemination Strategy

**Conclusion and way forward** 4.30-5.00 PM
## Annex B

### List of Participants

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Annex C

Terms of reference - Urban Private Sector Advisory Board (UPSAB)

A – PURPOSE

1. UPSAB is a voluntary affiliation of private sector entities with part of their core business or their corporate social responsibility dedicated to sustainable urban development. As per the Guidelines on Cooperation between the United Nations and the Business Sector (10/11/2009), the Business Sector is defined as encompassing:
   a) For-profit and commercial enterprises or businesses;
   b) Business associations and coalitions (cross-industry, multi-issue groups; cross industry, issue-specific initiatives; industry-focused initiative); including but not limited to corporate philanthropic foundations.

2. UPSAB aims to foster cooperation and partnership between the private sector companies and UN-HABITAT through dialogue and partnerships, and by providing leading-edge advice, information and expertise that contribute to sustainable urban development.

3. UPSAB aims to represent the private sector’s interests in platforms, campaigns and other initiatives organized by, or under the auspices of UN-HABITAT.

B – AFFILIATION

4. Private sector entities which are UN-HABITAT official partners¹ can be Members of UPSAB;

5. Other entities such as academic institutions, business schools or independent experts which are current partners of UN-HABITAT and which contribute to providing knowledge to UPSAB can become Associated Members;

6. Other entities may apply, or be invited, to attend UPSAB meetings as Observers;

7. Business meetings shall be used to approve or withhold membership, based on a majority vote of the organisations;

8. UPSAB does not substitute for, or replace existing networks nor does it detracts from the autonomy or initiatives of its members, but exists to support them;

9. Affiliation to UPSAB is free, however the members and associated members are invited to contribute to finance UPSAB’s meetings on a voluntary basis.

¹UN-HABITAT official partners refers to partnerships that are formalized through a formal exchange of letter and / or an Agreement of Cooperation and / or a Memorandum of Understanding.
C - FUNCTIONS

10. To develop opportunities for synergy and partnership between private sector companies and UN-HABITAT, and to engage as a consultative board for UN-HABITAT;

11. To disseminate private sector practices that promote sustainable urbanization;

12. To promote common values and ethics in the spirit of the Global Compact and the Core Business Principles for Sustainable Urbanization;

13. To promote exchange and dialogue between private sector entities and others Habitat Agenda Partners involved in sustainable urbanization issues, to contribute to UN-HABITAT policy debates and agendas and to promote actions around urbanization issues;

14. To advise UN-HABITAT on issues pertaining to the goal of promoting and achieving sustainable cities.

D - OPERATION

15. The Focal point for UPSAB in UN-HABITAT is the Private Sector Unit, Partners and Youth Branch, Monitoring and Research Division.

16. UPSAB has a Chair and a Co-chair elected by its Members during each UN-HABITAT’s Governing Council held every two years.

17. UPSAB shall be informed and consulted by UN-HABITAT on relevant issues related to UPSAB’s objectives if needed before each session of the Governing Council and each session of the World Urban Forum.

18. UPSAB will hold business meetings at least once a year, possibly during UN-HABITAT’s Governing Council and at every session of the World Urban Forum. The purpose of the meeting will be to receive reports on the conduct and activities of UPSAB and to plan the activities and responsibilities for the next year and identify necessary resources. These meetings will be restricted to UPSAB members, associated members and invitees selected by those members and approved by the Chair and Co-chair of the Board.

19. UPSAB will hold open meetings at least once a year, possibly during every UN-HABITAT’s Governing Council and every session of the World Urban Forum. The purpose of these meetings will be to discuss business practices for sustainable urbanization. Meetings will be open to other partners which are not members of UPSAB.

20. UPSAB will also organise on-line meetings and consultations when required.
Annex D

Core Business Principles for Sustainable Urbanization

Approved at the Fifth Session of the World Urban Forum in Rio de Janeiro, 25 March 2010

We, members of the private sector are committed to sustainable urbanization and development. To demonstrate our commitment in meeting the needs and expectations of all stakeholders in the creation of sustainable and harmonious urban areas, we affirm that our activities and behaviors wherever we do business will be guided by these principles:

1. Responsible Business

We shall create and sustain responsible business practices that foster economical, environmental and social wellbeing in our urban centers. We endeavor to engage in practices that respect human rights, uphold the freedom of association and the right to collective bargaining, are non-discriminatory, and are anchored on sustainability of urban environments and urban social networks. We directly take responsibility for all our business actions and mitigate their impacts on the ecology and society.

2. Eco-Friendliness

We commit to pursue business objectives through strategies that are eco-efficient. We shall engage in business processes for the production of economically valuable goods and services while effectively reducing the negative ecological impacts of production on the urban environment.

3. Collaboration and Partnership

In the spirit of sharing and multilateralism, we agree to engage in multi-sectoral collaborations on cross-cutting issues that will provoke action on how we can create opportunities for the poor. We shall also foster partnerships with other stakeholders with the aim of sharing information and technologies that will improve the overall performance of the private sector worldwide, without eliminating fair competition. We endeavor to work with other businesses and the local government to foster an environment where innovative practices can occur. We also aim to engage the urban poor through the informal sector to create systems that are mutually beneficial to the poor communities and business concerns.

4. Innovation and Creativity

We affirm to invest in the growth of innovation and creativity. We shall support efforts made by academia, professional bodies, governments and civil society organizations to develop solutions that address the urban challenges of today and the future. We shall invest in new technologies that cut down negative ecological impact, reduce waste and increase production output.

5. Urban Social and Ecological Capitalization

We commit to invest in the aggregation of social and ecological resources through business-driven systems that will create and strengthen the social and ecological wealth of urban centers.

6. Option for the Poor

We shall make deliberate efforts to recreate and grow inclusive and sustainable market initiatives. We shall increase our contribution to the war against urban poverty through sustainable corporate social responsibility activities and market-based strategies that aim to make our goods and services affordable, accessible and available to the urban poor.

7. Optimal Value

We resolve to undertake business growth and prosperity that generates ecological, social and economic value. We commit to operate at business levels that optimize the wealth of the urban environment and minimize harmful externalities. We define wealth to mean the health and wellbeing of citizens, environment and economy of the urban environment.