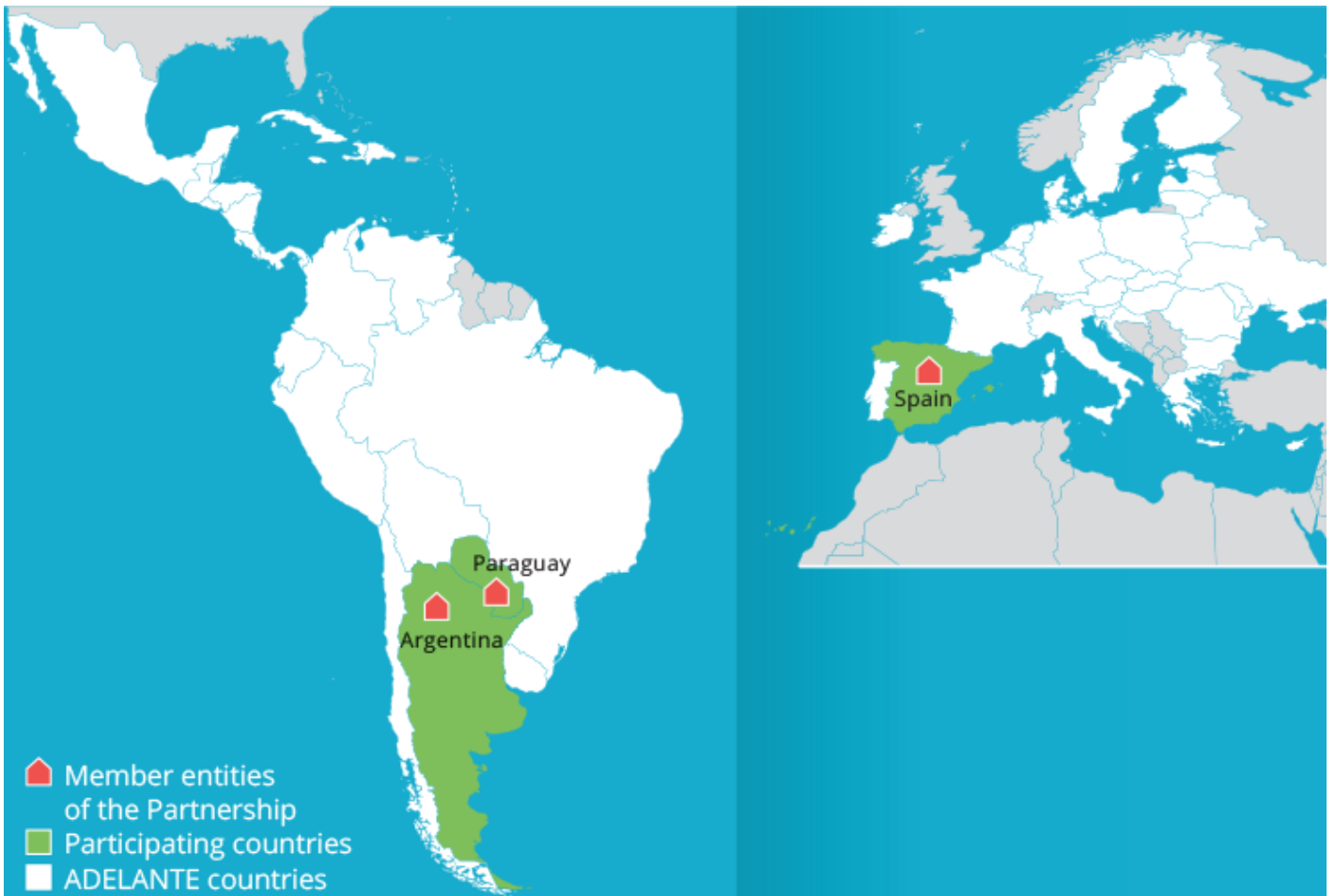


Strengthening value chains and their contribution to the SDGs

PARTNERSHIP



Background

The United Nations Global Compact is a global movement of companies and stakeholders that aims to help its members do business responsibly by aligning their strategies and operations with the 'Ten Principles on Human Rights, Labour, Environment and Anti-Corruption', while employing strategic actions to advance broader social goals, such as the 2030 Agenda and sustainable development, with an emphasis on collaboration and innovation.

Pacto Global Argentina and **Pacto Global Paraguay** are an integral part of this Global Compact network, bringing together companies and stakeholders in each of these countries. Thanks to this framework and their geographical proximity, they have a long history of dialogue and collaboration, which has resulted in a number of bilateral and regional projects; many of them linked to European Union programmes.

In particular, Pacto Global Argentina, one of the strongest networks in the region, with 750 affiliated companies and 15 years of experience, has established expertise in incorporating sustainability into the value chains of companies. Pacto Global Paraguay, the most recently formed network, is highly interested in this expertise as a way to strengthen its work in this area, considering it a priority in order to meet its objectives and position itself at the national level. A key factor for the link between the two entities in this particular area is the significant number of Argentinian companies that have Paraguayan suppliers, and to this end, the joint work between the two countries has great potential for impact.

Within the framework of this relationship, and with this common objective, **ICEX España Exportación e Inversiones** (Spain Export and Investment) has been invited to complement the Argentinian expertise with the experience gained through its programme, which supports Spanish companies in accessing markets that meet the needs of relatively low-income segments of the population in emerging countries, in order to foster innovative and profitable solutions that respond to the challenges of sustainable development and social inclusion.

Entities and roles

BENEFICIARY ENTITIES



**Pacto Global
Red Paraguay**

[Pacto Global Paraguay](#)

Paraguay

FIRST PROVIDER ENTITIES



Pacto Global
Red Argentina

[Pacto Global Argentina](#)

Argentina

SECOND PROVIDER ENTITIES



[ICEX - España exportación e inversiones](#)

Spain

Development challenges

Thanks to this Triangular Cooperation Initiative, Pacto Global Paraguay was able to maximise all of the knowledge and experience of Pacto Global Argentina and ICEX España Exportación e Inversiones in integrating sustainability into the value chain of companies, along with innovation, impact-oriented investment and social inclusion, as a contribution to its goal of facilitating dialogue with the business sector to promote sustainable business at the national level.

Harnessing and applying this expertise has benefitted both Pacto Global Paraguay and the Paraguayan companies involved, along with Argentinian, Spanish and European companies that work with Paraguayan suppliers. It has also benefitted Pacto Global Argentina, thanks to the positive impact it has had on the entity's work objectives and positioning in the country. In addition, the experience applied in both countries has resulted in important insights, helping to update and improve ICEX's work model, with a positive impact both in Spain and in all the countries in which Spanish companies are applying their model of impact and social inclusion.

The participation of Pacto Global Argentina and Pacto Global Paraguay in the global network of the United Nations Global Compact presents an interesting opportunity to scale up the lessons learnt from this Initiative. If this model centred on complementarity, joint work and a triangular approach - and focused on capacity building - is able to prove its effectiveness and impact, it could potentially be transferred to any of the other national networks in the region or in any of the 80 countries where the Global Compact is present.

INITIATIVE

This Triangular Cooperation Initiative led to capacity building in the Partnership entities and among a significant number of business professionals in the participating countries, in order to design and implement strategies for integrating sustainability into the value chain of companies. This experience can be potentially replicated in other companies in the participating countries, as well as in other business networks in the region.

Triangular approach

The contribution of the private sector is essential to recover from the socio-economic crisis caused by the COVID-19 pandemic, and in general, to promote sustainable development and fulfil the 2030 Agenda.

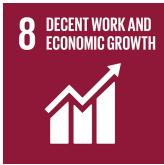
Thanks to this Initiative, it was possible to maximise the knowledge and experience acquired in making the value chains of companies more sustainable, as well as impact-oriented investment and social inclusion among the leading European and Latin American entities, thus strengthening capacities to design and incorporate sustainability strategies in countries with less experience in this field.

This integration involves ensuring a 'responsibility'-based approach (Rights-Based Approach, the Guiding Principles on Business and Human Rights, the Principles of the United Nations Global Compact, etc.), as well as a 'sustainability' approach, oriented towards the 2030 Agenda (integrating the economic, social and environmental dimensions); while ensuring an emphasis on collaboration with other actors and partnership building, in line with Sustainable Development Goal 17.

Due to the permanent connection between the Partnership entities and the operational involvement of professionals from Paraguay, Argentina, Spain and other European countries, which will benefit from greater synergies between them as key players in sustainable development, it is worth highlighting the strong potential for contributing to greater economic integration between the two regions.

Sectoral approach - Contribution to the 2030 Agenda

PRIMARY SDG



Goal 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

Goal 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms

Goal 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

SECONDARY SDG



Goal 12.2 By 2030, achieve the sustainable management and efficient use of natural resources

Goal 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

Goal 12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

ADELANTE SDG



Goal 10.1 By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average

Goal 10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status



Goal 17.3 Mobilize additional financial resources for developing countries from multiple sources

Goal 17.7 Promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed

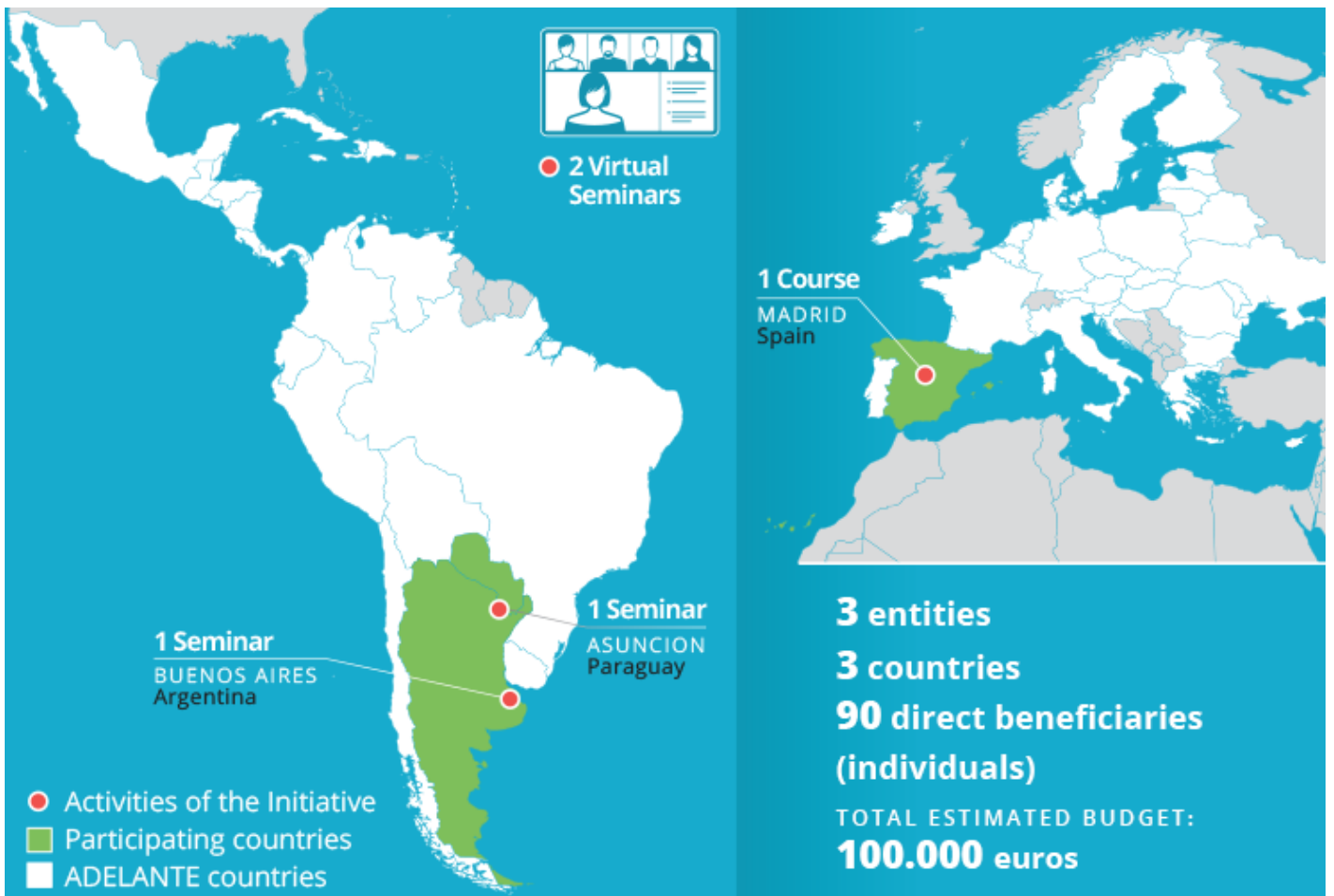
Goal 17.6 Enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through a global technology facilitation mechanism

Goal 17.5 Adopt and implement investment promotion regimes for least developed countries

Goal 17.9 Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the sustainable development goals, including through North-South, South-South and triangular cooperation

Goal 17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships

Territorial approach



Intervention methodology

The Initiative was designed to promote capacity building through training, for the design and implementation of strategies to make the value chains of companies more sustainable; particularly within those involved in trade relations between Paraguay, Argentina, Spain and other European countries. This capacity building has had a strong immediate impact on the participating companies and their affiliates, with the potential to replicate this experience in other companies in each of the countries involved.

The cornerstone of this Initiative was a 50-hour self-paced virtual **course**, certified by the United Nations Institute for Training and Research (UNITAR), as it was geared towards capacity building through training.

The course focused on the following topics: value chain analysis and impact management, integrating circularity, life cycle optimisation and the eco-design of products, sustainable innovation based on interdisciplinary co-creation, carbon footprint and consumption efficiency, motivating work environments, purposeful leadership, sustainability-centred corporate governance, contribution to the SDGs, and creating value among stakeholders and networks. It concluded with the definition of each company's integration plan and a reporting and communication exercise.

75 business professionals from Paraguay, Argentina, Spain and other European countries participated in the course, with the aim of integrating and creating links between Latin America and the Spanish and European business sector. Representatives from the Partnership entities also participated.

In addition to the course, in order to adjust and adapt some of its contents to the context of Paraguay and Argentina and to guide the planned seminars, a **consultancy** was carried out that focused on value chains in the agri-food sector; identified as a priority area that is relevant to the economic ties between the two countries and with Europe. This exercise was carried out in addition to a previous similar analysis of the textile sector.

Four seminars were held in parallel to the course, which supported the training not only in terms of content, but also in terms of networking and collaboration; by encouraging the participation and contribution of the Partnership entities and, in particular, of all the students in the course.

The seminars focused on building trust as a new paradigm in the business strategy (held virtually), strengthening the business community of SMEs by integrating the guiding principles on Human Rights and Business, and partnerships as a key element for the promotion and localisation of the 2030 Agenda (face-to-face seminars in Argentina and Paraguay). Thanks to their online transmission, the seminars also reached a wider audience, thus increasing their impact.

Direct beneficiaries (individuals)

According to Rule 9 of the Guidelines for Applicants: all persons participating in the activities of the Initiative.

The Initiative had **90 direct beneficiaries** from two well-defined groups: professionals from the Partnership entities who were particularly involved in all of the planned activities (approximately 15), as well as professionals from companies in Paraguay, Argentina and Europe (approximately 75) who joined the course and seminars. They were able to apply the knowledge acquired in their companies and respective contexts, therefore resulting in a positive impact by applying strategies to make company value chains more sustainable.

Budget

EU contribution: 72,394.89 €

Co-financing - Triangular Cooperation Partnership: 24,600.00 €

Total budget: 96,994.00 €

IMPACT

The information gathered in this IMPACT section is the result of the first '**joint ex post analysis exercise**' of the Initiative which, as foreseen in the policy framework of the ADELANTE Window, took place **one year after the end of the implementation period**.

For more information on these exercises, please consult the [ADELANTE Window 2021 Impact Report](#).

Continuity of the Partnership

STARTING POINT: Existing South-South relationship that has been strengthened with the incorporation of an EU partner as Second provider.

The Partnership, as such, has not been consolidated and has not been maintained over time.

However, the Partnership member entities have continued their bilateral collaboration in the core areas of the Initiative.

Application of generated knowledge

The knowledge generated has been applied by all Partnership member entities.

This application of knowledge has led to several advocacy processes in the context of the sustainability of domestic markets.

Publication of 'Country Sustainability Reports' for both Argentina and Paraguay.

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During implementation, the Initiative involved final beneficiaries (businesses in Partnership member countries that are part of a supply chain).

The Partnership entities have maintained close ties with these groups, allowing them to benefit from and apply the knowledge generated during the Initiative.

Impact

Applying this knowledge has enabled the Beneficiary entity to successfully tackle the development challenge that gave rise to the Initiative with the necessary quality and guarantees.

At the same time, the other Partnership member entities have increased the impact of their interventions.

FACTORS THAT HAVE ENABLED IMPACT:

Alignment of the knowledge generated with the challenges faced by the final beneficiary groups.

The appropriate framework of collaboration designed during implementation of the Initiative, which has allowed for political and institutional support at the highest level and has been widely acknowledged by the business sector.

The identification of topics that are highly relevant to all Partnership member entities.

FACTORS THAT HAVE HINDERED IMPACT:

The complex socio-economic situation in the Beneficiary country and the First provider country.

Future perspectives

Maintain bilateral relations between the different Partnership member entities and add new entities to establish Triangular Cooperation models.

Continue to make progress in the transfer of knowledge to the beneficiary groups, monitoring and evaluating the impact in their respective areas of intervention.

Continue to make progress in applying knowledge from all Partnership member entities.

Leverage the working dynamic and insights from the Initiative to engage the Beneficiary entity and First Provider in large-scale actions.

Joint project with ICEX, the United Nations Global Compact and the Spanish Global Compact Network 'Training Programme for Sustainable Supply Chains'.

NEW EX POST EXERCISE:

Yes (2024)