

Joint Standing Committee on Foreign Affairs, Defence & Trade

Foreign Affairs and Aid Sub-Committee

The Business of Aid in the Indo-Pacific

*Through the HIV Lens - A Strategic Opportunity – Private Sector Engagement in Getting to Zero New HIV Infections, Zero AIDS Deaths and Zero Stigma and Discrimination:*

*“The business community is uniquely positioned to use our influence, resources and leadership to challenge stigma, promote prevention and facilitate treatment.”*

*William H. Roedy, President of MTV Networks International*

1. Corporate Social Responsibility (CSR) – Why an investment in AIDS responses is a strategic investment; good for business and a strategic and inclusive contribution to abolishing poverty and building resilient communities:

HIV takes a direct toll on markets, investments, services and education through:

- decreased productivity
- increased absenteeism
- staff turnover
- loss of skills
- declining morale
- increased costs of related training, recruiting, insurance and sick leave
- supply chain disruptions

The contribution of the private sector, aligned to its commitment in advancing corporate social responsibility - has become critical, particularly as domestic financing of national AIDS responses (especially in emerging MICs in the region) increasingly plays a critical role in sustaining prevention and treatment efforts. In this context, the private sector’s role in influencing policies (HIV in the context of Universal Health care for example) and financing programmes both in the community and in the workplace aimed at addressing stigma and discrimination, facilitating prevention programmes and promoting access to treatment – within companies or workplaces, and in the community - will become more prominent in the next several years. For example, Chevron continues to implement an award-winning HIV/AIDS policy and training programme for its local workforces and finances community prevention testing and treatment in a number of countries.

The private sector’s being part of an effective AIDS response Generates goodwill and demonstrates a company’s commitment to strong corporate citizenship and to the well-being of its employees, customers and communities. Studies have shown that employees strongly appreciate when their company and management are involved in social causes; with an improvement in staff’s productivity, morale and staff turnover when the company takes an active, visible role in the AIDS response.

HIV Workplace Programmes: the private sector is a critical player in expanding access to HIV prevention, treatment and care services directly to workers in the workplace. The Asia-Pacific Business Coalition on AIDS and its chapters in over 8 countries of the Asia and the Pacific region work hand-in-hand with private sector entities to build and expand private sector initiatives and engagement. These business coalitions also partner with ILO and UNDP to promote “HIV friendly” business compacts, policies and programmes and provide guidance in their implementation and monitoring.

Advocacy: the private sector continues to play vital role in disseminating HIV information through print, broadcast and billboard advertising space – a critical way to educate employees, customers and business partners in the region. The private sector, through its participation in Global Fund country coordinating Committee and other national accountability and policy-making bodies is influencing the direction and effectiveness of investments in HIV and TB responses.

2. Public-Private Partnerships

In several countries in the Asia Pacific region, public private partnerships (through branded services, social franchising of prevention commodities, social/health insurance, whole of market approaches and agreements which reduce the unit costs, for example, of diagnostics and test kits) are the way forward for sustainable, quality responses to public health challenges like HIV and TB. Services are often better tailored to the needs of communities and individuals have a range of choices in the services they wish to utilise.

3. Financing – cost-sharing the investment in the Asia Pacific AIDS Response

As overseas development assistance tapers off and domestic financing becomes an increasingly important share of the overall investment in AIDS responses across the region (domestic public expenditure in the region has increased from 50% in 2008 to 66% in 2011). Private sector investments (direct and indirect) in AIDS and TB responses are becoming increasingly important. Strategic private sector investment as a cost-share with governments (through a range of innovative approaches and partnerships that provide a solid return through improved health and well-being of citizens in the Indo-Pacific region) can promote improved accountability for the delivery of quality HIV services responsive to the specific needs of communities.

4. Key United Nations Partners who may wish to make a submission to the Joint Committee

- **ILO:** the ILO with its tripartite mandate (working with employers, employees and unions) has a significant engagement with private sector entities on a range of issues including HIV/AIDS. Under the UNAIDS agreed Division of Labour, ILO is responsible for Scale up HIV workplace policies and programmes and mobilize the private sector.
- **UNDP:** UNDP promotes the The UN Global Compact, bringing private sector concerns at the country level to finance sustainable development initiatives that benefit communities. The Compact asks companies to embrace universal principles and to partner with the United Nations. It has grown to become a critical platform for the UN to engage effectively with enlightened global business.