

the goals of the Millennium Development Goals, (or MDGs), while bringing benefits to business.

The report's innovative element is that it offers strategies and tools in order that companies can expand their business beyond typical practices, making the poor partners in growth and the creation of wealth. The proposal is backed up by fifty well-documented case studies that show the effectiveness of inclusive business models, both in terms of human progress and in the creation of wealth.

The opportunities are many, as are the obstacles. Isolated rural villages, or marginalized urban areas in developing countries are environments which provide a real challenge to those wishing to conduct business. Systems for the collection and distribution of goods and services barely exist. The same is true for the basic infrastructure of the market. The financial systems fail to take outside businesses into account and weaknesses in the legal system further exacerbate the problem. In other words, the majority of businesses that work with the poor find they operate in very different circumstances from those they are used to.

The various participants could obtain important benefits from associating themselves with the private sector in order to finance investments on better terms, cooperate in business models and facilitate and direct dialogues that lead to changes in policies. Therefore, the creation of businesses in poor markets operates better when based on collaborative frameworks of mutual interest.

As Sahba Sobhani pointed out during her presentation on the 15th December in Barcelona, 'more than 50 countries were poorer in 2000 than in 1990. A private sector that is actively committed to governments in creating new opportunities for the poor is necessary if we wish to reverse the trend and attain the Millennium Goals'.

#### **BUSINESSES FACING THE CHALLENGE OF POVERTY: SUCCESSFUL STRATEGIES**

by **Isidre Sala**

The fact that the poor hide a potential for consumption, production, innovation and entrepreneurship has traditionally been ignored and therefore it has not been taken advantage of. Bringing about a change of outlook in order that businesses consider the poor as not only clients, but also as producers, employees and owners of businesses can produce consequences that are beneficial to all.

This has been the philosophy behind the Initiative for the Growing Inclusive Markets launched by the United Nations Development Programme (UNDP) in 2006. It began with the firm conviction that the private sector constitutes an important unexploited resource for investment and innovation in achieving the Millennium Development Goals.

As part of the initiative the report 'Businesses Facing the Challenge of Poverty: Successful Strategies' was presented in Barcelona on the 15th December as part of the series of workshops entitled 'the Role of the Company in Cooperation for Development', organised by ACCIÓ CIDEM COPCA and the Catalan Agency for Cooperation and Development (ACCD, in Catalan). The report undoubtedly offers inspiring examples of opportunities that create added value for everyone as they multiply efforts to meet the needs of the world's poorest (thus helping to meet