

Social innovation : the objectives

- Combine clear business benefits for the company and social benefits for the community.
- Make social innovation a key component of Danone people motivation and management.
- Build trust through co-creation with stakeholders.
- Focus on scalable solutions.

Water

-APIEME – Evian : Evian, a sustainable management of the water resource

-Aqua Lestari : reforestation, organic farming, health and sanitation, education,

-Volvic-Unicef 1L for 10L
-R-PET

Dairy

-Cruceros (Mexico)
-Share your meal (Poland)

danone.communities

(Grameen Danone - Bangladesh, 1001 fontaines - Cambodia, Project mama sam (Madagascar)



DANONE

Danone preliminary due diligence report

Prepared for IUCN

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Geneva, Switzerland

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1. Executive summary

IUCN is exploring opportunities for engaging with the Danone Group (Danone) on climate change and wetland conservation, as part of a proposed partnership between Danone, the Secretariat of the Ramsar Convention on Wetlands and IUCN.

This preliminary due diligence has involved gathering information and intelligence, from a variety of sources including web searches, IUCN staff and members, interviews with organisations, NGOs, Danone documents and staff, media and published reports, and protocols. Information covers company impacts on IUCN's mission, and other social, economic, commercial and ethical considerations.

Based on the findings presented in this report, it appears that the opportunities presented to IUCN by a partnership with Danone far exceed the potential risks.

2. Basic information about Danone

Groupe Danone (known as Dannon in the USA) is a French food products company with headquarters in Paris, France. Danone is seen as a “strategic industry” by the the Government of France and as such is protected by French law from takeover by foreign ownership. The Group employs almost 90,000 people in more than 120 countries (2008).

The Group has a worldwide international presence. Danone is a world leader in dairy products and bottled water. This dominant position worldwide is based on major international brands and on the company's solid presence in local markets (about 80% of global sales come from brands that are local market leaders).¹

The 2007 sales figures for Danone position it in the world market as n°1 in fresh dairy products, n°2 in waters, n°2 in baby nutrition, n°3 in medical nutrition and, in the European market, as n°1 in baby nutrition.²

Over the past ten years, Danone has reshaped its operations to focus on a single priority: “bringing health through food to as many people as possible”. Business lines with operations falling outside this area were sold, including beer and glass bottles and jars. In Danone's 2007 Economic and Social Report, Franck Riboud, CEO and President of the Group, explained in an interview that:

“Today, a full 100% of sales are generated by food products with a focus on health, up from 39% in 1996. The ‘new Danone’ also offers a more balanced

¹ <http://www.danone.co.uk/about-danone.htm>

² Danone (2008) *Getting to Know Danone* PowerPoint presentation

geographical spread, with no single country representing more than 14% of Group revenues.”³

The Group’s performance is attributed to a strategy that incorporates international expansion, a growing commitment to innovation, and strengthening health-oriented brands.

2.1 Focus and mission

All major projects currently in the company’s pipeline focus on health and nutrition. Danone claims that they are “the only food group to focus totally on health.”

In 2007, Danone bolstered its focus on healthy food with the takeover of Dutch group Numico (*Koninklijke Numico N.V., Royal Numico N.V.*) and with the sale of its biscuits/cookies business to Kraft. With these moves, Danone incorporated into its strategy two profitable, fast-growing business lines – medical nutrition and baby nutrition – and divested itself of a product line which was seen by many as unhealthy.

In the same interview noted above, Franck Riboud explains that the company mission is:

“...to bring health through food to as many people as possible... The mission we have defined calls for long-term growth in our business and in social progress – for society as a whole.”⁴

It is notable that Danone’s commitment to this distinctive focus and mission – which includes sustainable development – is highly influenced by Riboud’s leadership as CEO. As with any organisation, there is a certain vulnerability to a change of personnel.

2.2 Main brands

The main brands of the company include the following:

- **Fresh dairy products:** Danone, Actimel, Activia, Danonino (Petit Gervais aux Fruits), Vitalinea (Taillefine, Vitasnella or Ser in certain countries), Danacol, Essensis
- **Waters:** Evian, Volvic, Badoit, Aqua, Bonafont, Font Vella, Lanjarón, Ser

³ http://www.danone.com/images/pdf/dan_ra2007_en.pdf

⁴ http://www.danone.com/images/pdf/dan_ra2007_en.pdf

- **Baby nutrition:** Blédina, Gallia, Nutricia, Cow & Gate, Milupa, Mellin, Dumexal
- **Medical nutrition:** Nutricia, Nutrini, Nutrison, Fortimel, FortiCare, Fortisip, Neocate, Infatrini⁵

2.3 International presence

Danone products have a worldwide presence. They are found across continents and in over 120 countries (2007) as indicated by the following table:

Region	Sales ranking	Plants	R&D centres
North America	1 st - fresh dairy products	7	1
Western Europe	1 st - fresh dairy products 1 st - baby nutrition 2 nd - bottled water	41	8
Central Europe	1 st - fresh dairy products 1 st - baby nutrition 1 st - medical nutrition	19	1
Africa & Middle East	1 st - fresh dairy products 2 nd - baby nutrition	14	1
Asia-Pacific	1 st - bottled water 2 nd in baby nutrition	54	5
Latin America	1 st - fresh dairy products 1 st - bottled water	27	4

Danone subsidiaries are worldwide. However, it is not easy to identify precisely which companies are owned by Danone and the extent of their ownership. An illustrative example from 2006 follows, which indicates the global reach of the company's operations:⁶

Danone subsidiaries	Country	Share of equity
Bagley	Argentina	100%
Bormioli Rocco & Figlio	Italy	Na
BSN	France	44%
Centrale Laitière	Morocco	29%
Danone	France	6.2%
Danonesa	Turkey	100%
Hui Yuan	China	22%
Knjaz Miloš	Yugoslavia	Na
Lifeway Foods Inc	USA	20%;
Polska Woda	Poland	50%
Pureza Ağa	Mexico	50%
Wimm Bill Dan	Russia	Na
Yakult Honsha Co Ltd	Japan	20%
Zywiec Zdroj	Poland	88%

⁵ <http://www.danone.com/en/company/introduction.html>

⁶ <http://www.transnationale.org/companies/danone.ph>

2.4 Shareholders

The following table gives information on the known major shareholders of the company in France on 31 December 2006:⁷

Shareholders	# shares	% capital	# Voting rights	% voting rights ⁽²⁾
Eurazeo (a private equity firm)	13,975,995	5.4%	23,692,481	9.1%
Caisse des Dépôts et Consignations (a state-owned investment bank)	9,297,592	3.6 %	9,297,592	3.6 %
Sofina et Glaces de Moustier (an investment company)	5,200,000	2.0 %	6,700,000	2.5 %
Predica (life insurance subsidiary of Crédit Agricole)	4,570,106	1.7 %	4,570,106	1.7 %
FCPE "GROUPE DANONE" (Investment trust)	3,885,071	1.5 %	7,311,794	2.9 %
Public	203,480,811	78.0 %	209,378,669	80.2 %
Company and subsidiaries ⁽¹⁾	20,455,171	7.8 %	-	-
Total	260,864,746	100.00 %	260,950,642	100.00 %

⁽¹⁾ Of which 2 882 060 shares (or 1.1% stake) held by the Spanish subsidiary of the Company, Danone SA

⁽²⁾ A double voting right is granted to all fully paid shares held in the name of the same owner for at least two years. This figure excludes shares held by the Company and its subsidiaries, which are deprived of their right to vote.

Further information on Groupe Danone share ownership on 31 December 2006 follows:

- Institutional investors 73.2%
 - France 25.6%
 - Rest of Europe 17.1%
 - USA 18.6%
 - Rest of the world 11.9%
- Individual investors 10.2%
- Board of Directors 7.6%
- Treasury stock and FCPE (Fonds Groupe Danone) 9.0%⁸

⁷ <http://finance.groupedanone.fr/phoenix.zhtml?c=131801&p=irol-capitalisation>

⁸ Danone Economic and Social Report 07: <http://www.danone.com/en/news/media/download-center.html>

2.5 Key competitors

Danone operates in the “Health and Wellness (H&W)/Healthy Foods Sector.” In so doing, the company competes with other packaged foods companies as well as store-own brands. Danone's direct competitors in this sector are:

- **Nestlé**, a Swiss company that produces packaged food and beverages as well as products for the personal care market;
- **Unilever NV**, a Dutch company that produces packaged foods and products for the home and personal care markets;
- **Kraft Foods**, a US company that produces packaged foods products; and
- **Cadbury Schweppes**, a UK company that makes confectionery and non-alcoholic beverages.⁹

Company	Revenues 2007 (\$ millions)
Groupe Danone	17,541
Nestlé	103,250
Unilever NV	55,084
Kraft Foods	37,421
Cadbury Schweppes	15,783

According to the market research company, Euromonitor, the top 10 Global H&W packaged food companies are as follows:¹⁰

Company	2006 sales ranking	
	HW	Overall
Danone, Groupe	1	5
Nestlé SA	2	1
Kraft Foods Inc	3	2
Wrigley Jr Co	4	15
Unilever Group	5	3
Cadbury Schweppes	6	7
Kellog Co	7	8
PepsiCo Inc	8	4
Yakult Honsha Co Ltd	9	29
General Mills Inc	10	9

⁹ <http://www.transnationale.org/companies/danone.php>

¹⁰ http://www.euromonitor.com/Danone_beats_mighty_Nestle_as_the_worlds_no._1_maker_of_healthy_foods

3. Policies, standards & public commitments

This section of the report highlights the company's policy commitments as an indication of its public positioning. Inevitably this prompts the question whether it is more than simply a series of worthy aspirations. The more pointed question of its actual corporate capacity, mechanisms and performance with respect to environmental and social issues and sustainability (whether it 'walks the talk') are presented in Section 3 below.

We consider first the external standards and policies to which Danone subscribes, secondly the internal policies which it has developed to guide its own response, and thirdly the public commitments it has made. All of these are significant in establishing the degree to which Danone has linked its brand identity (and therefore its business prospects) to a strong reputation for environmental and social integrity. The standards, policies and commitments listed here indicate that, for Danone, there would be a high degree of reputation risk and therefore significant business risk associated with a manifest failure to live up to its public commitments.

3.1 External standards & policies

3.1.1. Environment

Environmental stewardship can be embodied through various initiatives, including corporate endorsement of international conventions, as well as site-specific programmes to address environmental issues. An indicative list of standards to which Danone subscribes follows:

- ISO 14001 certification
- ADEME-AFNOR: Carbon footprint certification in France (Water and Dairy divisions)
- Danone Waters UK has signed the Carbon Trust's Publicly Available Specification (PAS) 2050, a standard for assessing the lifecycle greenhouse gas emissions of goods and services, currently being developed in partnership with DEFRA and BSI British Standards. Danone is testing the standard¹¹
- VERITAS/ SGS – Emissions assessment for industrial sites under CO2 quotas (5 factories in Europe)
- Local and international legislation as well as contractual agreements regarding the exploitation of water resources
- Partnership with the Ramsar Convention, including communication initiatives and other projects
- Montreal Protocol (on refrigerating gases)
- Kyoto Protocol

¹¹ <http://www.naturalhydrationcouncil.org.uk/Article/Print/37>

Danone also takes part in various environmental programmes or initiatives such as:

- ‘Refrigerants Naturally’ programme, supported by UNEP and Greenpeace.
- Partnership with Nestlé and Unilever to promote sustainable agriculture through the “Sustainable Agriculture Initiative” (SAI Platform).
- Courtauld Commitment, an agreement between the Waste & Resource Action Programme (WRAP) and major retailers and brands. As a signatory, Danone commits to work on packaging and packaging waste reduction initiatives.

3.1.2 Social

Danone’s engagement in social standards includes public commitments to:

- The Universal Declaration of Human Rights
- ILO International Labour Standards
- The Global Compact

3.2 Internal standards & policies

3.2.1 Environment

Danone has made the protection of the environment a distinctive element in its public reputation. Their environment standards and policies have evolved over the years, as described below.

The Danone 1996 “Charter for the Environment” set target figures for all its subsidiaries, verified by environmental performance indicators. The 1996 Charter defined the following challenges and priorities:

- managing environmental risks of sites;
- reducing water and energy consumption;
- reducing the environmental impact of packaging; and
- protecting water sources.

The following objectives for the environment were also set by the Group’s Executive Committee in 2001:

- compliance of sites with regulations and controlling risks;
- reduction of water and energy consumption between 2000 and 2010;
- 30% reduction in water and heat energy ratios per tonne of product; and
- progressive generalization of ISO14001 certification.

The 2004 Charter entitled “A global policy for the protection of underground water resources” further defined the company’s commitment - both in terms of exploiting natural and patrimonial resources – to sustainable groundwater management.

More recently, Danone’s Sustainability Report 2007 lists several relevant objectives (i.e. targets) and performance indicators, as in the following summary table:¹²

Challenges	Objectives	Resources/Tools	Indicators
Managing risks and reducing the environmental impacts of plants	to comply with relevant regulatory frameworks to control risks	Audits, monitoring of regulations, action plans, investment, budgetary review	Evaluation using Danone ERM methodology, annual GREEN evaluation, total financial investment in environment
Including management of the industrial environment in a dynamic continual improvement	to certify all plants according to ISO 14001	Training, environment network, sharing good practice, setting up reporting	Number of plants launching certification, Number of certified plants

Also of particular interest is Danone’s policy on water and energy savings and greenhouse gas reductions:¹³

Challenges	Objectives	Methods/Tools	Indicators
To reduce energy and water consumption	30% reduction in terms of water and heat energy and heat ratios per tonne of product (2000-2010)	Energy diagnostics, setting up consumption benchmarks	Measurements of these variables per tonne of product
To tackle greenhouse effect	20% reduction in terms of the total energy per tonne of product (2000-2010)	Water and energy saving guide, construction of carbon/ water footprint (2007) Internal benchmark for results	Measurement of energy per tonne

Biodiversity has its own performance indicators, linked to the first challenge in the tables above. The performance indicators (without explicit time horizons) are as follows:

- EN6 – Location and surface area of land held, leased or managed in habitats rich in biodiversity;
- EN7 – Description of main impacts on biodiversity of activities and/ or products and services of the organization within terrestrial, fresh water and maritime environments.

¹² Sustainability report 2007

¹³ *Ibid*

From 2007 onwards, the company committed to a new focus on the following critical environmental issues:

- Systematic review of fundamental principles;
- Measuring and piloting the environmental performance of packaging (e.g., recycling of materials, reduction in weight);
- Agriculture (Danone Quality Safety Environment); and
- Carbon and water footprints.

Danone also has a Green Plants Initiative to reduce environmental impacts by improving energy efficiency and reducing waste during manufacturing. Finally, the company's performance against such key indicators is further discussed below, in Section 4.

3.2.2 Social

Major challenges facing the company in terms of social performance include employment and increasing globalisation of the company's operations. Danone's human resources policy asserts that it aims to develop skills for all employees, put people first, as well as running a socially responsible company. The policy aims to involve all the company's constituent businesses worldwide in environmental protection and social innovation, based on the development of solutions with external partners (NGOs, local authorities, etc.) and on the commitment of employees.¹⁴

Regarding social commitments, a significant company document is "The Seven Fundamental Social Principles" (2001), which takes ILO principles and incorporates them into the Group-IUF Agreements (Trade Union Agreements). These 7 principles are:

- effective abolition of child labour;
- elimination of all forced labour;
- elimination of discriminatory practices;
- freedom of association;
- effective recognition of the right to collective bargaining;
- safety and security of all employees in the workplace; and
- compliance of all national laws on working times and appropriate remuneration for employees in lines with salaries practiced in the country.

To implement these principles, the company operates a 'RESPECT' programme. This programme has three levels, each with its own tools:

¹⁴ Sustainability Report 07

- internal communication;
- information to suppliers; and
- a process for analysing the risk of suppliers failing to comply.

There is also an audit procedure which combines documentary reviews, site inspections and interviews with employees.

Other social performance indicators cover a wide range of issues including: collective groups, competition and tariffs, corruption and consumer health.

The company is committed publicly to the belief that economic and social progress are inseparably linked. This is seen in the “dual economic and social project,” which focuses on investments in business projects with significant social impact consistent with Danone's mission. This project or fund is called ‘danone.communities.’

3.2.3 The ‘Danone Way’

In 2001 Danone established the ‘Danone Way’ as an attempt to help business units integrate social responsibility and sustainable development into their day-to-day management. It is a tool designed to assist the company’s subsidiaries in addressing a number of ethical areas, such as social policy, environmental, food safety and nutrition issues.

In 2007, new initiatives such as the creation of danone.communities and the Grameen-Danone in Bangladesh, led to creation of ‘Danone Way Ahead.’ Under this approach, the environment theme states clearly that “the environment allows environmental protection to be included in the operation and the supply chain.”¹⁵

3.3 Public Commitments

The Danone identity includes a strong public commitment to sustainable development and the environment. This section of the report provides evidence in this regard:

- Danone's vision (see above) where sustainable development is seen as an integral part of its strategy, rooted in the Group history through its dual commitment to business performance and social progress since 1972.
- Danone in the UK states that “sustainability is part of our DNA - it has been at the core of our business philosophy and decision making for over 30 years. We protect our resources and minimize the impact we have on our

¹⁵ Sustainability Report 07

environment. We ensure profitable growth without neglecting our social and environmental responsibilities. And we make sure we give back to the communities we work within.”

- Danone's stated mission is to “Bring health and nutrition to the largest number of people around the world.”
- The company further states that they are “committed to respecting the environment and work tirelessly to ensure that our actions across all aspects of our operations reflect this commitment.”¹⁶
- The various Danone web sites carry the message of its mission and vision and provide examples of the company’s commitment to sustainable development. For example, on the Danone UK web site information, facts and figures about the carbon footprint of the manufacture of bottled water can be found.¹⁷
- Many of the initiatives that Danone has undertaken, such as being a leading participant in sustainability conferences and involvement in CSR, are examples of the company’s efforts to maintain a high profile and public association with sustainable development issues.
- Danone maintains its high profile by dissemination of best practice through, for example, the CSR Europe's solutions database and the Sustainable Agriculture Initiative (SAI) Platform.
- The company posts its annual Sustainability and Economic and Social Reports on the web, which further indicates a commitment to publicizing their approach to sustainability as a key part of its business identity.

4. Performance & reputation

This section covers the more pointed question of Danone’s actual corporate capacity, mechanisms and performance with respect to sustainability – in other words, whether it “walks the talk.”

¹⁶ www.danone.com

¹⁷ <http://www.danone.co.uk/environment.htm#overview>

4.1 External recognition

The presence of Danone in the leading sustainable development stock market indices illustrates the company's strong performance. The company is found in the DJSI STOXX, Ethibel Sustainability Index, and ASPI Eurozone.

In 2007, for the third consecutive year, Danone was one of the “hundred most sustainable companies worldwide,” according to the Innovest, a finance and sustainability research agency. It is one of six companies feted in the “consumer goods” category.

In 2007, Danone was also listed as one of the top 20 sustainable businesses at SustainableBusiness.com's SB20 world's top sustainable stocks list.

4.2 External reporting

Danone's strategy and commitments to sustainable development, including external and internal standards and policies, are published in a Sustainability Report (referred to above as “Sustainability report 07”). This document provides investors, ethical funds and CSR rating agencies with analyses of the company's social responsibility performance. The report describes Danone's strategy and commitments in the three facets of sustainable development, as well as the challenges facing the company. The report also includes performance indicators, in accordance with the Global Reporting Initiative (GRI), an international reporting standard for sustainable development.¹⁸

4.3 Environmental indicators

This section presents some illustrative performance indicators from the Sustainability report 07. For example, the company has constructed its environmental policy around ISO14001 and one indicator is progress in certifying sites under this standard:

Danone sites	2007	2006	2005
Total number of sites	139	140	158
Total number of ISO 14001 sites	79	77	65

The report notes that 52 % of Danone's industrial sites are certified to ISO 14001, while another 21 % are in process. Though it does not appear to be a target percentage to attain, it appears that Danone is aiming to eventually have all of its sites certified under ISO 14001.

¹⁸ Sustainability Report 07 <http://www.danone.com/en/news/media/download-center.html>

For biodiversity, in particular, the information provided in the reports do not show if progress has been made with these indicators year on year. Nevertheless, the company has initiated programmes for protecting underground water resources by initiating actions to protect biodiversity as follows:

- **The protection of the impluvium of Evian mineral waters.** Evian created this programme in collaboration with local stakeholders. The initiatives have included the extension of the sanitation network, development of environmentally friendly agriculture, which respects water quality, and the management and protection of wetlands (this is also known as the Evian P.E.S project. A respondent from WWF stated that this was an excellent sustainable development initiative and very replicable.)
- **A 74,000 hectare nature reserve in Villavencio, Argentina.** This reserve aims to preserve and protect the region's water resources and to develop related research.

In the area of emission, effluent and waste, performance indicators include efforts to improve energy efficiency, adhere to the Montreal Protocol with respect to refrigerating gasses and reduction in the impact of plastics for bottled water.

For example, on a worldwide basis, Danone has achieved a 30% reduction in the average weight of its PET bottles over the last 15 years. From January 2008 onwards, the company has also progressively introduced recycled PET in Evian water bottles. By the end of 2008, the company aims to have recycled PET in all its water bottles. This will also allow the company to reduce the bottle's carbon footprint by 17% related to the packaging of a 1.5 litre bottle of Evian's main product.¹⁹

In countries with little or no recycling, the company has also launched pilot projects that benefit both environment and society by creating jobs. For example, in Mexico, Bonafont is testing a new business model, where the brand pays the supplier for collecting recyclable material at a price that is above the norm.²⁰

4.3 Social indicators

Since 2006, the company's RESPECT initiative has been deployed in all of its subsidiaries under their procurement departments. The aim is that by the end of 2008, all suppliers will be operating under the Fundamental Social Principles.

As an indicator of social performance, specific efforts can be highlighted. These include the promotion of local development by the Evian water company, as well as

¹⁹ <http://www.naturalhydrationcouncil.org.uk/Article/Display/32>

²⁰ Sustainability report 07

innovative business models in Mexico and South Africa for local distribution systems. A new business model with Grameen ladies in Bangladesh was also started in 2007.

As previously mentioned, the Danone Way Ahead programme was launched in 2007. In this context, 40 subsidiaries have moved to self-assessment and, using the sustainability mapping methodology, around 40 social innovation projects have been identified for 2008. This attempt to help subsidiary business units integrate social responsibility and sustainable development in their day-to-day management is seen to be important but challenging.

As noted by its rankings in public indices, Danone has a reputation for being good at corporate social responsibility (CSR). In this respect, the company is actively involved in sustainability conferences. For example, most recently in Prague in October 2008, they shared a platform with Nestlé, Vodafone and Shell to discuss “How to embed CSR into their operations.” In November 2008, the company will be represented in London with Vodafone, Coca-Cola and Novo Nordisk to discuss corporate responsibility reporting and communications.

Most interestingly Danone has created a ‘danone.communities’ initiative or fund as a way of promoting social innovation and supporting social businesses in line with the company’s mission. The idea behind danone.communities is to offer a unique investment fund for anyone interested in making a meaningful, prudent investment designed to promote new models for development. One prominent example is Grameen Danone Foods in Bangladesh. At the opening ceremony of the 4th World Conservation Congress in Barcelona, in early October 2008, the founder of Grameen mentioned Danone as “an excellent partner for poverty alleviation in Bangladesh.”

Danone also funds the "Evian Initiative" - a portfolio of communication initiatives and projects in support of the Ramsar Convention. See below for more detail about this effort.

4.4 Partnerships

The main partnerships at the company at the group level are the following:

- **Ramsar Convention** - several types of initiatives including the water conservation schools in Evian;
- **Grameen Bank and GAIN Foundation** - Grameen/Danone Social business approach in Bangladesh;

- **UNICEF** – a 1 litre for 10 programme providing access to drinkable water in Nigeria;
- **European Foundation against Leukodystrophy**; and
- **SOS Villages** - programmes in favour of underprivileged children.

Danone also has many local partnerships which include:

- **Valpack UK Green Dot Association** - collecting packaging; and
- **World Vision UK** – a 1 litre for 10 programme (see above);
- **'Planète Urgence'** – company employees spend time on this NGO's mission during their holidays;
- **La Fondation de la Faune du Quebec (Foundation for Fauna Quebec)** – support for the protection of water sources in Canada; and
- **The Casa de la Amistad** – cause-related marketing in Mexico under the slogan “Let’s build their dreams.”

Regarding these partnerships, the following were interviewed: the Secretariat of the Ramsar Convention, GAIN, World Vision UK and La Fondation de la Faune du Quebec. UNICEF provided no further information other than what is available on their website..

GAIN was interviewed in connection with their work with Danone and the Grameen Bank. Grameen Danone Foods Ltd produces fortified yoghurt in Bangladesh. They explained that the project sources milk from local producers, turns it into yoghurt that is fortified with essential micronutrients, and then markets it through a network of women vendors. This social business creates shareholder value, stimulates the local economy and fights malnutrition. GAIN provides expertise in social marketing and evaluates the nutrition efficacy of this initiative.

World Vision was interviewed in connection to their ‘1 litre for 10’ initiative. They explained that the programme has helped build and maintained wells. It ensures that the local population has access to 40 litres of drinking water per person per day, i.e. twice the minimum for life as defined by the World Health Organisation. The programme is providing water wells (both hand dug and mechanized) in Ghana, Malawi, Zambia and Mali, with further wells planned in Ethiopia and Niger by the end of 2010.

La Fondation de la Faune du Quebec, Canada, was interviewed in connection with their partnership with Eaux Danone Naya. This is a new partnership for the period 2008-2010, funded with 300,000 Canadian dollars to support five pilot projects to help citizen groups to conserve, enhance and clean five streams in urban areas.

The reference here to partnerships with UNICEF, GAIN, World Vision and La Fondation de la Faune highlights the positive reputation which can be inferred from the fact that Danone has satisfied these organisations and their internal due diligence procedures.

4.4.1 UNICEF

UNICEF has an established due diligence procedure for corporate partnerships. They actively seek alliances with members of the business community whose behaviour, on balance, demonstrates a willingness to exercise corporate social responsibility. Their own “Guidelines and Manual for Working with the Business Community: Identifying the Best Allies Developing the Best Alliances 2001” identifies a number of eligibility criteria that help guide an assessment of whether to enter into a proposed alliance.

UNICEF looks for alliances with entities that display corporate responsibility and leadership in the community; make a positive contribution to society; have a record of socially-responsible behaviour; have a positive public and/or product/service image; have a history of commitment to development-related causes; have responsible labour practices; and employ responsible environmental practices. One of UNICEF’s corporate partners is Danone.

They have also identified exclusionary criteria and UNICEF gives special attention to some industry sectors. Some are unacceptable under any circumstances, such as businesses in the armaments and weapons sector; toy manufacturers manufacturing replica weapons marketed to children; alcohol or tobacco companies; companies which violate UN sanctions; manufacturers of infant formula whose marketing practices violate the International Code for the Marketing of Breastmilk Substitutes; and companies involved in pornography, exploitative and/or corrupt practices; companies found in violation of environmental laws.²¹

²¹ http://www.unicef.org/corporate_partners/index_24525.html

4.4.2 GAIN

GAIN has an internal process to evaluate potential partnerships, which looks at opportunities and also potential problem / conflict areas. The document is not available to the general public.

4.4.3 World Vision UK

World Vision UK has a due diligence process which includes issues such as environment, development and ethical policies. Exclusionary criteria are also used. For example, no alliances are possible with businesses which use or supply child labour.

As mentioned above, World Vision UK has a contract with Danone waters UK called the '1L-for-10L' Campaign', which donates 10 litres of water in the developing world for every litre purchased in the UK. The contract with the company has four pages on ethical behaviour, which works both ways. This document is not available to the public.

4.4.4 La Fondation de la faune du Quebec, Canada

There is a standard process undertaken for all partnerships. This involves the areas of corporate social responsibility, environmental practices and potential legal problems. The resulting documents are not available to the public.

4.5 The Ramsar partnership

The 10-year partnership between Ramsar and Danone was celebrated on the 28th of October 2008 in Korea, at the opening of the 10th Conference of the Parties of the Ramsar Convention on Wetlands.

Known as the Evian Initiative, the partnership was first formalized on 27 January 1998, at a ceremony hosted in Paris by the French Government. It included a portfolio of activities in support of the Ramsar Convention, to be funded by Groupe Danone (which includes the Evian mineral water company) and the French Global Environment Facility (FFEM), and developed with the support of the Government of France, the town of Evian, and the Conservatoire du Littoral.

Day-to-day implementation has been carried out by a number of partners, under the overall responsibility of the Ramsar Secretariat. The overall budget of the first period (1998 -2000) was 6.65 million French Francs (approximately US\$ 1.1 million or SFR 1.6 million).

‘Evian Encounters’ are an important component of the partnership. These are designed to bring together senior officials of the Ramsar Contracting Parties and other relevant organizations in an informal atmosphere to discuss current approaches to and challenges of the implementation of the Ramsar Convention. Examples follow:

- 1st Evian Encounter for the Neotropics (October 1998)
- 2nd Evian Encounter for Francophone Africa (October 1999)
- 3rd Evian Encounter for Anglophone Africa (October 2000)
- 4th Evian Encounter for Arabic-speaking nations (November 2001)
- 5th Evian Encounter for the Himalaya and Mekong River (December 2004)
- 6th Evian Encounter for the Carpathian Wetland Initiative (November 2006)
- 7th Evian Encounter on climate change (forthcoming, October 2009)

A second period of the partnership followed from 2002 to 2006. It included collaboration between Danone and WWF International for a programme working under the direction of Ramsar Convention and in coordination with the Danone Evian Steering Committee.²²

A third period from 2007 to 2010 is now in progress with a budget of €250,000 per year. The current ‘Protocole d’accord 2007-2010’ is available online²³ at <http://www.evian-ecoleddeleau.fr>. This work includes the renovation of the website, promotion of world wetlands day, teaching tools, Ramsar award and cash prize for Laureate from Danone, promotion of field actions, meetings and exchanges.

A parallel second agreement with Danone, known as the ‘Ecoles de protection de l’eau’ was also set up in 2007. This is a fund (approximately €220,000 per year) that is financed by bottles of water sold by Evian in France with the label mentioning Ramsar. Three pilot projects have begun in July, and are located in Nepal (WWF), Thailand (WWF), and Argentina (Protejer). They will help the protection of important wetlands in social, ecological and economic terms.²⁴

In May 2008, a new position in the IUCN Secretariat of Project Officer was funded by the Danone Group. This is due to the increasing demands of administration, communication and coordination connected to the Ramsar-related field projects financed by Danone under the international programme ‘Ecoles de protection de l’eau.’

Another output of the partnership was a meeting organized by Danone on 30 June to 3 July 2008 in Evian. About 60 international journalists from the Netherlands, Austria, the USA, and Asia, with representatives of Singapore and particularly of

²² http://www.ramsar.org/key_danone_protocole_2004.htm

²³ <http://www.evian-ecoleddeleau.fr>

²⁴ <http://www.evian-ecoleddeleau.fr>

China, participated in the ‘journalist tour 08.’ Ramsar staff presented the issues and challenges related to water protection and in particular to wetlands, and explained its partnerships with the private sector.

Regarding the Ramsar partnership, a senior staff member of the Secretariat explained:

“This partnership allows us, in the north as well as in the south, to help in raising awareness of the current risks associated with protection of these resources by improving information and knowledge about these places and facilitating exchanges between the various stakeholders – for example, through the organization of World Wetland Day or the installation of information centres open to the public, such as the Pré Curieux in Evian.”

This 10 year successful partnership has seen Danone’s “interest grow” through its involvement with Ramsar. It is seen not as a corporate marketing ploy but rather as an opportunity for responsibility by Danone. The number of activities is also expected to grow and the planned Evian Encounter in 2009 on climate change is likely to take a serious look at the the opportunities for climate change mitigation by wetlands.

Of course, the working relationship between the two partners has not been without some difficult moments; as all working relationships have. Examples were given of challenges in placing the right people at the right time in various events. Uncertainty about future directions is also a concern. For example, will carbon offsetting take precedence over wetland conservation in the years ahead? Also, like most large multi-nationals, there is a concern that contacts in Danone’s headquarters are more focused on the public relations aspects of the partnership than on technical environmental issues. Finally, Ramsar may see opportunities for partnering as well with competitors such as Nestlé which would of course have implications for the partnership.

In conclusion, the overall opinion from staff of Ramsar and IUCN staff who have worked with Danone and know their work in Evian is that given the opportunity of funding for science, innovation, dissemination of knowledge and projects in this evolving field, a partnership with the company would support the mission of the IUCN.

4.6 Reputation in the media

Danone’s reputation in the media is mostly good. This section provides an overall media coverage Also, see indicative findings of web search in Appendix 1.

Danone’s reputation as leaders in sustainable development and business is often in the media as they are used as examples of best practice.

In the media, however, there are three areas – bottled water, infant formula and operations in China – where Danone has been found have a negative reputation in recent years.

Regarding bottled water, this issue has been on and off the agenda for some years. It appears from time to time as a health issue, waste issue and environmental issue. It is interesting that recently ‘ethical water’ brands may boost flagging UK sales of waters such as Volvic, a Danone brand.

Numico – which was acquired by Danone in 2007 – faces adverse reporting from the Baby Milk Action lobby. The subsidiaries brands include Nutricia, Milupa and Cow & Gate. In response, Danone stated in April 2008 that: "The Group is well aware of the extremely important issues associated with this activity, and is looking to conduct a root and branch review of its corporate mission in the baby foods field."

Danone also has an expanding brand portfolio all over the world in markets such as China and with this has come some negative media coverage. The case under scrutiny is the case of the Wahaha Joint Venture Company where there have been lawsuits. This is an example of a new joint venture that may well occur from time to time. The risk to IUCN appears to be limited.

The Wahaha Joint Venture Company is a food and beverage joint venture company established between the Hangzhou Wahaha Group, the largest beverage producer in China, and Danone. The companies have been partners since 1996 in a business model Forbes magazine hailed as a "showcase" joint venture. However, Danone had made several attempts to buy out Wahaha, but without success.²⁵ Disputes about trademarks and pricing have ended up in court. On 21 December 2007, however, the two partners agreed to suspend their legal battle and resume negotiations.²⁶

4.7 Reputation within IUCN

This section is based on interviews with IUCN staff members. All of the IUCN staff interviewed said that working with Danone would enhance the mission of IUCN. One person said that it would allow IUCN to “use its good water management knowledge” and be able to do “what we do better and bigger.” Another said that climate change mitigation in wetlands work would be “innovative and cutting edge” and this “science element” is seen as very important to further knowledge.

A partnership with Danone is seen as a positive opportunity. Specifically, the “how-to project” demonstrating carbon offsetting is in line with the mission, although one

²⁵ <http://www.babymilkaction.org/CEM/cemmarch08.html>

²⁶ http://en.wikipedia.org/wiki/Wahaha#cite_ref-forbes070627_1-12007

staff person noted that it should not involve greenwashing. IUCN, as part of its mission, has an obligation to work with companies and the challenge is “how should we develop a relationship with Danone.”

Danone was perceived as taking its strategy and commitment to sustainable development seriously. It was claimed that Danone “don’t just talk about it but actually do what they talk about.” IUCN staff knew that Danone has a sustainable development strategy, a director for sustainable development and a CEO whose ideas direct the thinking in this direction.

IUCN staff members were also aware that offsets are clearly part of Danone’s overall strategy to achieve a 30% reduction in the overall footprint. One respondent stated that from the working relationship he has that it is a “concerned company”. The model used by Danone for CSR and environment is “more progressive than most NGOs”. Another respondent gave an example illustrating that Danone is serious about participatory stakeholder engagement – i.e., the PES example at Evian.

Danone in general are seen to be committed to making a difference. The company is professional and serious about its relationships. However, it was noted from experience that Danone’s HQ uses ‘marketing and communication’ people to deal with the Ramsar portfolio of initiatives and they lack an environmental specialist at HQ. Evian, however, has good environmental expertise.

It was also stated that in the partnership IUCN should be in a position to advocate and influence. For this relationship to succeed, clarity of roles from the beginning, “who does what”, clearly agreed management structures and sustaining good communications were seen as essential.

5. Risks & opportunities for IUCN

This preliminary due diligence indicates that a partnership with Danone represents a positive opportunity for IUCN, with a limited and acceptable degree of associated risk.

Reasons for concluding that the risk is acceptable include the following:

- Although Danone’s commitment to sustainable development is highly influenced by the CEO’s leadership and - as with any organisation - there is a certain vulnerability to a change of the top, sustainable development appears to be firmly embedded in the company’s strategy and public identity.

- For Danone there would be a high degree of reputational risk (and therefore business risk) associated with manifest failure to live up to its public commitments with IUCN and other partners.
- Danone’s reporting in the media does not indicate any significant or systemic negative reputational issues.
- Other organisations that have partnered with Danone report that the company is “highly professional and everything is very businesslike” (World Vision UK), and that they are “a good partner and comfortable to work with” (La Fondation de la Faune du Quebec). Representatives of GAIN said that they were “very impressed” with Danone’s performance on sustainable development; “Danone really integrates sustainable development into their business” and “this commitment is seen not only at the management level but across the whole company.”
- IUCN can report a broadly positive experience to date (with, of course, inevitable points on which to improve).

Reasons for seeing this partnership as a distinctively positive opportunity for IUCN include:

- The partnerships would be fully consistent with IUCN’s mission to “influence, encourage and assist.”
- IUCN’s partnership would build directly on the long and broadly successful partnership with Ramsar.
- IUCN would be associated with a company that is acknowledged to be one of leading corporate actors in the field of sustainable development.
- IUCN could strengthen Danone’s capacity in the area of communication, to advance their “sustainability” agenda. Support could be given with guidance on publications, reports and other resources to make Danone’s work more user-friendly and accessible to a wider audience.
- IUCN could help to strengthen Danone’s biodiversity performance indicators. Currently these are: EN6 - Location and surface area of land held, leased or managed in habitats rich in biodiversity, and EN7 – Description of main impacts on biodiversity of activities and/ or products and services of the organization within terrestrial, fresh water and maritime environments. The examples given of actions to protect biodiversity are the Evian P.E.S project and the 74,000 hectare nature reserve in Villavicencio, Argentina. However, the information provided about these projects in the reports on the

performance indicators does not show if progress has been made year on year. Further indicators could be developed. As Danone intends to begin its new collaboration with IUCN and Ramsar via Evian, this would be a good location to improve and develop further biodiversity performance indicators.

- The area of carbon offsetting is an innovative field where IUCN and Danone together could play to their strengths.
- The partnership could strengthen IUCN's capacity to assess the social impacts of environmental change and conservation.
- The partnership could help to design new approaches and best practice for carbon offsets in wetlands.

In short, it appears that the potential opportunities presented to IUCN by a partnership with Danone far exceed the potential risks.

Appendix 1: Media and stakeholder analysis

In the media there are three areas – water, baby milk and China – where Danone has been found have a negative reputation in recent years. Here are some indicative examples:

Water

'Ethical' water brands may boost flagging UK sales.

Bottled water manufacturers that attempt to show a more caring side of the business are defying an overall slump for the product in the UK market, according to new research. So-called 'ethical brands', which pledge a portion of their sales or profits to improving sustainability or quality within the water supplies of developing countries, have doubled their sales volume on the UK market, according to segment analyst Zenith International.

Beveragedaily.com 08-Apr-2008

<http://www.beveragedaily.com/Industry-Markets/Ethical-water-brands-may-boost-flagging-UK-sales>

Bottled water backlash flows on the bottled water industry, which has enjoyed strong sales growth in recent years as a beverage perceived to offer improved health benefits, is coming under increasing criticism in North America over its alleged environmental impacts. In the space of the last seven days, a US-based organic retail chain and the Canadian city of Windsor have announced attempts to crackdown on supplying the product, siding with growing international concern from some quarters over the packaging waste it creates.

Beveragedaily.com 20-Aug-2008

<http://www.beveragedaily.com/Industry-Markets/Bottled-water-backlash-flowhttps://exch.wlv.ac.uk/Exchange/in8970/Inbox/?Cmd=contentss-on>

Nestle, Danone, Highland team up to protect bottled water.

The three leading UK suppliers of bottled water have created a new group designed to spread the word on the economic and social value of their product, amidst continuing pressures surrounding its alleged environmental impact.

Beveragedaily.com 01September 2008

<http://www.beveragedaily.com/Industry-Markets/Nestle-Danone-Highland-team-up-to-protect-bottled-water>

The real cost of bottled water In light of a new independent study WWF, the conservation organization, is urging people to drink tap water, which is often as good as bottled water, for the benefit of the environment and their wallets. According to the study, "*Bottled Water: Understanding a social phenomenon*," commissioned by WWF, bottled water may be no safer, or healthier than tap water in many countries while selling for up to 1000 times the price.

WWF International, 03 May 2001

http://www.panda.org/about_wwf/what_we_do/freshwater/news/index.cfm?uNewsID=2250

Baby nutrition

Nestle, Danone accused on baby milk substitutes.

A study in the British Medical Journal has alleged that manufacturers of powdered baby milk substitutes - including Nestle and Danone - are violating international codes on baby milk promotion in Africa. The companies, Nestle, Danone and US-based Wyeth, are accused of violating the 1982 International Code of Marketing of Breast-milk Substitutes. Transgressions typically included failing to include a statement about the health benefits of breastfeeding, or instructions for the safe preparation or storage of the formula.

Danone, which has a strong commitment to social responsibility in its business practices, said that it was surprised by the allegations. Only three of the twenty-one products named were, it said, actually covered by the code of conduct.

Business Respect, Issue Number 48, 01 Jan 2003

http://www.mallenbaker.net/csr/CSRfiles/page.php?Story_ID=797

Baby Milk Action - CEM March 2008. Danone/NUMICO and the Code Background: The bad news from the Breaking the Rules 2007 report is that Nestlé is driving down standards. As NUMICO (the owner of Nutricia, Milupa and Cow&Gate brands) tries to compete, particularly in Asia, the number of violations has increased. Some recent good news is that Danone, new owners of NUMICO and itself a violator of the Code and Resolutions, has responded to a recent letter from Baby Milk Action. We wrote to it with a four-point plan similar to that put to Nestlé to bring its baby food marketing activities into line. While Nestlé has rejected the plan, Danone responded: "The Group is well aware of the extremely important issues associated with this activity, and is looking to conduct a root and branch review of its corporate mission in the baby foods field." We are looking for a written commitment to the Code and Resolutions before meeting.

Baby Milk Action 18/04/08

<http://www.babymilkaction.org/CEM/cemmarch08.html>

Numico and Danone have appealed decisions by the Dutch Authority for Financial Markets ("AFM", Autoriteit Financiële Markten), which decided to impose a fine on Numico and Danone for not publishing financial information in a sufficiently timely manner during the day of July 9, 2007, in the context of the takeover bid launched by Danone. The fines on Numico and Danone amount to €96,000 and €24,000, respectively. Danone and Numico strongly disagree with the AFM's decisions and have appealed these decisions.

Danone.com 08 September 2008

<http://finance.danone.com/phoenix.zhtml?c=95168&p=irol-sArticle&ID=1194734&highlight=>

China

The Wahaha Joint Venture Company is a food and beverage joint venture company established between the Hangzhou Wahaha Group, the largest beverage producer

in China, and Danone, one of the world's largest food conglomerates. The companies have been partners since 1996 in a business model Forbes magazine hailed as a "showcase" joint venture.

As the businesses expanded and became more complex, Danone had made several attempts to buy out Wahaha, but was rebuffed. Danone and Wahaha's General Manager Zong Qinghou signed a deal in December 2006, allowing Danone to buy a majority stake in the non-JV operations. However, Zong had second thoughts about the deal and reneged claiming the offer was underpriced. It is alleged that he wanted to squeeze a higher price out of Danone. For a trademark dispute, Danone filed for arbitration in Stockholm on May 9. On June 4, Danone filed suit in Los Angeles Superior Court against Ever Maple Trading and Hangzhou Hongsheng Beverage Co Ltd, companies controlled by Zong's wife and daughter who run the two companies. On 21 December 2007, Danone and the Chinese partner agreed to suspend their legal battle and resume negotiations.

http://en.wikipedia.org/wiki/Wahaha#cite_ref-forbes070627_1-12007

Chinas Bright Dairy shareholder may sue Danone, 2007

www.forbes.com/afxnewslimited/feeds/afx/2007/06/18/afx3833372.html

The story behind Wahaha Danone JV dispute.

Danone furious and they put forward the demand of buying 51% of shareholders rights for a price of 4 Billion yuan, 17 Apr 2007

www.venture160.wordpress.com/2007/04/17/the-story-behind-the-wahaha-danone-jv-dispute

Danone suspected of violation of Chinese laws

In November 2007, *Danone* and KPMG jointly brought the foreign *shareholder* of non-joint ventures of Wahaha and relevant directors into court at British.

<http://ticathoblogspot..2008>

Wahaha wins third lawsuit against Danone

www.ihipo.com/index.php?q=group/China/Wahaha+wins+third+lawsuit+against+Danone

General

The Danone Way Groupe Danone, known for its Evian brand bottled water and Danonn yogurt. Not only has Danone bought a leading US organic food company, Stonyfield Farm, but it has also now formed an innovative social partnership with the Grameen Group in Bangladesh—and is talking about launching a very unusual fund to support microfinance.

SustainAbility 2007

http://www.sustainability.com/aboutsustainability/article_previous2.asp?id=1092

Sustainability reporting leaders including Danone, Vodafone, Coca-Cola and Novo Nordisk discuss ways to improve corporate transparency and accountability. Over

25 leading corporate sustainability reporters will share their best practice at the corporate responsibility reporting and communications summit on 25 – 26 November in London.

Ethical Corporation Press 2008

<http://www.ethicalcorp.com/content.asp?ContentID=6143>

CORPORATE SOCIAL RESPONSIBILITY corporations such as Nestle and Danone implement the International Code of Marketing ... currently piloting a scheme to monitor the CSR reports 2008.

www.ictuglobalsolidarity.org/uploads/CSR%20REPORT.pdf

Danone Offers CNY20 Million to Create Microcredit Project In China Danone will offer CNY20 million to set up a microcredit project ... China Development Bank Releases Corporate Social Responsibility Report Danone will offer CNY20 million to set up a microcredit project in cooperation with the State Council Leading Group Office of Poverty Alleviation and Development and the Grameen Trust. 30 Jul 2008

www.chinacsr.com/en/2008/07/30/2647-danone-offers-cny20-million-to-create-microcredit-project-in-china/ - 75k

Ethical Corporation: Shell, Danone, Vodafone and Nestle Gather in Prague to Discuss How to Embed CSR into Their Operations on 13-14 October

Market Watch Oct 2008

www.marketwatch.com/news/story/ethical-corporation-shell-danone-vodafone/story.aspx?guid=%7BDC13502B-8831-4E20-A511-8EB85ADFCAA6%7D

Appendix 2: Terms of reference

Due Diligence of Danone Group

1. Background

IUCN is exploring opportunities for engaging with the Danone Group (Danone) on climate change and wetland conservation, as part of a proposed partnership between Danone, the Secretariat of the Ramsar Convention and IUCN. In keeping with the 2004 Strategy for Enhancing IUCN's Interaction with the Private Sector and the associated Operational Guidelines for Private Sector Engagement, IUCN seeks to conduct a preliminary due diligence of Danone, in order to determine the appropriate form of engagement.

2. Objective

Due diligence involves gathering information from a variety of sources, including web searches and IUCN staff and members, on a company's impacts on the IUCN mission and other social, economic, commercial and ethical considerations. Due diligence is intended to provide an overview of the appropriateness of the engagement, to highlight specific areas that may require further detailed examination and to identify potential risks to IUCN.

3. Responsibilities

The contractee is responsible for gathering relevant information and preparing a due diligence report, in accordance with the procedures outlined in the IUCN Operational Guidelines for Private Sector Engagement (Module 5). Relevant information sources include, but are not limited to the following:

- Reports and other public information provided by Danone and its subsidiaries with regard to the company's commitments and performance on sustainable development, such as;
 - elimination and/or treatment of pollution to air, water, and soils;
 - investments in biodiversity conservation and/or ecological restoration measures (including work undertaken with the Secretariat of the Ramsar Convention); and
 - investments in community development and/or capacity building of suppliers, especially in developing countries.

- External information on Danone’s performance in relation to sustainable development (and especially biodiversity), such as:
 - Reports by and interviews with knowledgeable staff of the Secretariat of the Ramsar Convention;
 - Involvement of Danone in multi-stakeholder processes and standards related to sustainability;
 - Evidence of local community engagement (community views should be sought either directly or from IUCN members, where appropriate, especially for communities affected by collaboration between Ramsar and Danone);
 - Reputation and coverage in the media (print, broadcast, internet) of Danone and its subsidiaries, or of sectors in which the company operates; and
 - Opinions of IUCN members, commissions and partners (e.g. expressions of concern about Danone or other companies in the sector, as well as anticipated concerns in relation to planned investments or activities of Danone).

4. Deliverables and reporting

Deliverables under this contract are due no later than 20 October 2008 and include:

- A structured compilation of all the information gathered; and
- A summary document, of no more than 5 pages, highlighting the main risks and opportunities for IUCN in relation to a potential partnership with Danone Group.

The contractee will report to Joshua Bishop, Chief Economist of IUCN.

5. Confidentiality

As IUCN is in the early stages of discussions with Danone and Ramsar in relation to a potential partnership, the contractee may not disclose any information about the potential partnership without prior approval from IUCN.