

A close-up photograph of a person's hands typing on a laptop keyboard. The image is dark and moody, with the hands and keyboard being the primary focus. A green rectangular overlay is positioned in the lower-left corner of the image, containing white text.

**A collection of
Thought Pieces and
Blog Posts on
Sustainability**

January-June 2019

The Latest News and Trends in Sustainability in One Place

Dear Readers,

We, at Sustainability Knowledge Group, are dedicated to bringing the latest news and trends in Sustainability and Sustainable Development not only to our clients but to everyone who is interested and enthusiastic about these topics.

During the last six months, the Insight section of our website has been the point where we have presented the latest news on a wide spectrum of topics such as the efforts made in the UAE towards sustainable future, the latest EU strategies and regulations regarding sustainability and sustainable development, the takeaways from Davos 2019, as well as trends in business environment related to sustainability.

We invite you to read the collection of our blogs and share your thoughts and opinions with us.

Enjoy the reading!

Sustainability Knowledge Group

Sustainability Knowledge Group is a global advisory firm dedicated in creating value for businesses through strategic advisory and training solutions.

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2019 is UAE's Year of Tolerance

2019 has been declared as the Year of Tolerance by UAE President Sheikh Khalifa bin Zayed Al Nahyan following on from 2018 the Year of Zayed and 2017 the Year of Giving. Tolerance is an endemic value in the Islamic culture, and it is present at individual, organisational and national level. Being a heterogenous society with more than 200 nationalities living in harmony, the UAE represents a good example of an inclusive and tolerant country.

The very act of tolerance

The announcement that 2019 will be the Year of Tolerance followed the statement that Pope Francis will visit the UAE in February 2019 and during his stay he will deliver Mass in a stadium in Abu Dhabi. The clear demonstration of the fact that the UAE is tolerant and welcoming of all religions was the order that came from His Highness Sheikh Mohammad bin Zayed Al Nahyan, Abu Dhabi Crown Prince and Deputy Supreme Commander of the UAE Armed Forces, to rename the Sheikh Mohammad bin Zayed Mosque in Al Mushrif, Abu Dhabi, to 'Mariam, Umm Eisa' that is Arabic for 'Mary, the mother of Jesus'.

Undoubtedly, this initiative made to "consolidate bonds of humanity between followers of different religions", as stated by H. H. Sheikh Mohammad bin Zayed Al Nahyan in 2017, was a great introduction to the Year of Tolerance.

The five pillars of the Year of Tolerance

The Year of Tolerance will be based on five pillars:

- deepening the values of tolerance and co-existence among cultures by teaching the youth the values of tolerance
- facilitating a series of initiatives, projects and dialogues between various cultures and civilisations and consolidating the UAE's status of the global capital of tolerance
- implementing multiple cultural programmes and making contributions to build tolerant communities
- focusing on legislative and policy-oriented objectives that contribute to mandating cultural and religious tolerance
- promoting tolerance through targeted media initiatives and projects

The Year of Tolerance is designed and will be carried out not as an informal, standalone initiative, but as Sheikh Mohammed bin Rashid Al Maktoum, Vice President, Prime Minister and Ruler of Dubai stated:

“We want government policies that further consolidate tolerance and a deep sense of community, and to spread these values among our youth and future generations. The UAE must lead the way for intellectual, cultural and media initiatives that further consolidated the values tolerance and co-existence, opening up to cultures of the region and the world as a whole.”

Not just a one-off initiative

2019 has not been announced as the Year of Tolerance by chance. The post of the Minister of State for Tolerance was first introduced in 2016 by His Highness Sheikh Mohammed bin Rashid Al Maktoum, Prime Minister and Vice-President of the UAE and Ruler of Dubai with the aim to reinforce the UAE’s commitment to eradicate ideological, cultural and religious intolerance and discrimination in the society. Moreover, the Ministry of Tolerance is a part of the UAE Government of the future that is aiming to achieve the Vision 2021 and face the post-oil era.

The forward-looking and progressive UAE government should serve as an example to other governments in the world to take bold and decisive steps and promote the values that would lead the world to better and sustainable future.

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Social Return on Investment (SROI) and its Value Moving Towards Sustainable Future

In a world changing rapidly, organizations and companies are not only caught in the demanding task of calculating costs and benefits and measuring profitability by using ROI metric tool but are becoming more involved in the new paradigm of doing business that captures not only the financial value but the social value as well.

SROI is a tool used to help organisations answer the fundamental question: **“How much value are we creating?”**

Social Return on Investment (SROI) is a framework for measuring value that is not directly reflected in financial statements, including social, economic and environmental factors. SROI presents how social, environmental and economic outcomes create impact, measures the value created and uses financial terms as a common denominator to express this value. It is all about value and not about money; SROI assigns monetary values to the change outcomes evidenced from the implementation of a certain initiative.

The general formula often used to calculate SROI is:

$$\text{SROI} = \frac{\text{(social impact value – initial investment amount)}}{\text{initial investment amount}} \times 100\%$$

Moreover, there are two types of SROI:

- i. **Evaluative** that is conducted retrospectively and is based on actual outcomes of an activity that has already taken place.
- ii. **Forecast** that predicts how much social value will be created if the intended outcomes are realized through a future activity.

Whether evaluative or forecast SROI is used, there are many benefits that SROI analysis generate and can fulfil a wide range of purposes. SROI can be used as a strategic planning tool, a communicating tool and an investment decision making tool. The use of SROI can aid an organisation in multiple ways: **a)** to maximise the value it creates through a structured process; **b)** to use resources more effectively and efficiently; **c)** to involve its key stakeholders, **d)** to gain competitive advantage, **e)** to enhance communications, both internally and externally, **f)** to attract investors and **g)** to raise its profile.

A common concern regarding SROI is whether it is a method that can be used exclusively by certain organizations or it can be applied in all sectors and organizations irrespective of their size. **There are no barriers** that prevent the use of SROI in organizations across the public, private and non-profit sectors regardless of their size.

Public sector as well as organizations that develop public policy may use SROI as a tool that will help in making better decisions in commissioning process in the area of procurement by serving as a catalyst for initiatives that create social value. As a good example of how SROI can be used in the public sector is the national government of the Netherlands that has made the use of SROI mandatory for all public procurement activities since 2011. In its report, the Dutch national government stated that **79% of the Dutch municipalities implemented SROI** in 2014. Moreover, SROI can aid NGOs and social enterprises in improving performance and highlighting and easily communicating added value they create. There is an ever-growing pressure coming from investors who use SROI as a key evaluation tool that definitely aids them in deciding where to invest and to assess progress and performance of the value their investment creates over time.

Nowadays, when the old business model that focuses solemnly on profit gains has become obsolete, SROI is being widely used by organizations as a method to determine and measure the extra financial value related to invested resources. This new business model takes into consideration both environmental and social value that organizations' initiatives have on their stakeholders and the society as a whole.

To find out more on SROI analysis, we invite you to [read our brochure](#)

Date Published: January 22, 2019

DAVOS 2019 – What’s next for Humanity?

The last 49th World Economic Forum (WEF) took place from the 22nd to 25th January in Davos, Switzerland. This year the summit’s theme was **“Globalization 4.0 – Shaping a Global Architecture in the Age of the 4th Industrial Revolution.”** The Fourth Industrial Revolution (4IR) has been driven by the unprecedented technological change and asks for a completely new approach to the new economy that will be focused on the policies that will disregard the previous dichotomies and force cooperation and integration by taking into account different interests. **The question that is looming is whether we are ready to create a new model of economy that will build on the 4IR business model and solve the current global challenges of climate change, inequality and poverty.**

The very essence of all today’s urgent issues that humanity is faced with has been summed up by the speech of the UN Secretary-General Antonio Guterres: ***“If I had to select one sentence to describe the state of the world, I would say we are in a world in which global challenges are more and more integrated, and the responses are more and more fragmented, and if this is not reversed, it’s a recipe for disaster.”*** Global politics and geopolitical tensions, global economy and climate change, immigration and digitization are becoming more interlinked and connected and fuse into common global issues and call for global and decisive responses. The global economy is not in a good state and the threat of a new global recession is here again. The financial sector has continued to play the old same game that caused the global economic crisis in 2009 and during her speech at Davos, **the head of the IMF, Christine Lagarde** urged the banking sector to aim for a greater purpose than just maximum profit. Moreover, the mounting indebtedness of both developed and developing countries is hindering them to implement projects and initiatives that are designed to achieve Sustainable Development Goals and realize the Agenda 2030. Apart from the economy, the political tensions among the largest global powers-the USA, China and Russia- are growing and do not seem will take a downturn direction anytime soon.

Still, the global current issues of environment protection, climate change and rising inequality need to be tackled urgently. On the positive side, during this year WEF, new initiatives, with the World Business Council for Sustainable Development (WBCSD) as one of the partners, have been launched: The Alliance to End Plastic Waste, the New Circularity Cap and the EAT Lancet report. The **Alliance to End Plastic Waste**, designed and promoted by the WBCSD, is the largest value chain initiative dedicated to end plastic waste in the environment.

The focus of the summit was also the circular economy and the fact that only 9% of resources are currently being recycled calls for much more to be done in this area. There is a huge potential in circular economy strategies that can help businesses to grow while limiting global warming and helping the fight against the consequences of climate change. **At the WBCSD “Healthy People Healthy Planet” session**, the EAT Lancer report has been launched and it sets out scientific targets for healthy diets and sustainable food production.

Although, the technological changes and digitization have brought many benefits, they have also reshaped the workplace landscape and **left many people, regions and countries** behind and created inequalities and social insecurity. At Davos, the issue of the future of work has been recognized as a topic of the utmost importance since work is the engine of economy. The transition to a new economy based on 4IR model should not be accompanied by “jobless growth, income inequality and social instability” and businesses and organizations will play a major role in this transition.

There is no doubt that the Fourth Industrial Revolution requires the **establishment of a new global architecture and new global standards, policies, and conventions** that will protect environment and reduce inequality so to safeguard the public trust. However, the peaceful transition to a new global economy and architecture, in the time of the Fourth Industrial Revolution, **cannot be achieved without a global dialogue** and consensus since we are not living anymore in a “bipolar” world but in a “multipolar” one that calls for all the parties to search for global solutions to shared global issues. Otherwise, the sustainable future we are running towards may only turn into a bleak and dim past that we have been running away from.

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What is the role of Social Media in Communicating CSR and Sustainability?

The transformation brought by digital and technological advances during the last decade has made companies and **organizations undergo a thorough overhaul when it comes to communication with the public and stakeholders**. But how all these social media platforms affect the way companies communicate CSR and Sustainability to their relevant stakeholders? It really depends on whether the companies are aware of their stakeholders and their expectations, their corporate impacts and whether they are willing to engage in meaningful communication. Communicating CSR and Sustainability via social media cannot be escaped nowadays and it can only generate benefits for companies and organizations regarding their accountability, trustworthiness, and reliability.

Facebook, Twitter, LinkedIn, Snapchat, Pinterest and Instagram are well-known and widely used social media tools, but it could be said that Facebook and LinkedIn are the ones most popular among companies and organizations telling their stories on CSR and Sustainability. **The appropriate communication of CSR and Sustainability activities** is necessary for companies to achieve credibility. Social media platforms have enabled open and transparent dialogue between organizations and their relevant stakeholders on CSR and Sustainability activities. Traditional media did not allow for proactive two-way communication and did not provide companies the opportunity to timely engage public and primary stakeholders. However, this “just telling-just informing” strategy cannot be used anymore because of the increased awareness of stakeholders in Sustainability issues, their rising expectations from the company and their demand for involvement in corporate decision making which impacts their lives tremendously. **Stakeholders ask for specific information** on topics like food security, origin, animal welfare, local suppliers, gender equity and environmental impacts to name a few. They want to express their opinions and expectations on organizational practices and social media platforms have given them a strong voice. On the other hand, social media have given the chance to organizations to disseminate reliable and consistent information, meet the public's expectations, avoid serious risks and earn public trust. Companies should not only try to communicate their CSR and Sustainability efforts through social media channels to avoid public criticism and scepticism; **they need to develop effective communication strategies that take into consideration communication trends of Millennials and Post-Millennials as well as the way Generation X communicates and perceives disruption in the Sustainability field**, and build a bridge between their business's goals and their stakeholders' expectations.

In a nutshell, companies and organizations should develop relevant content and engagement opportunities that create value and be part of the purpose economy. Moreover, as social media promptly measure the effectiveness of on-line campaigns, it goes without saying that companies understand that long-term success cannot be achieved without the active engagement in social media.

Nowadays, social media platforms have created a wonderful field for an interactive communication among all actors taking part in CSR and Sustainability activities. It allows for the creation of sustainable world where each voice will be heard and acknowledged. **But there is still a caution sign: Do not allow for our relationship status to become complicated!**

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Sustainable Europe: Towards a Sustainable Europe by 2030

A reflection paper by the European Commission on Sustainability in the EU

European Commission published the Reflection paper [Towards a sustainable Europe by 2030](#) in January 2019 as a roadmap for the debate on the EU's future in the following months by setting out the priorities for the Strategic Agenda 2019-2024. If the current developments in Europe would be ignored, one would easily be deluded into viewing Europe as a stable region inhabited by satisfied and content citizens as it is depicted in the Reflection paper. Although the reality is slightly different, given the fact that the European Union has been going through difficult and troublesome times lately that may shake its structure and existence, the words stated in the foreword of the document can be seen as a solution to all the challenges and issues the EU is faced with: “the EU when unified and determined is a global force to be reckoned with.”

Challenges to be tackled

According to the survey's results stated in the Reflection paper, 78% of the respondents are happy with life in the EU and 61% of them see the EU as a place of stability in a troubled world. Yet, the EU possesses a waiting list of many issues to be solved, however only resolute and united action can lead to those outcomes that can transform EU to the global sustainability leader.

The EU has been one of the leaders and the most active supporter of the 2030 Agenda for Sustainable Development and EU Member States are among the SDGs top performers and seven EU-27 Member States (Denmark, Finland, Germany, France, Norway, Slovenia and Austria) are among the top 10 in [Global SDG Index ranking](#). Even though, the EU is more than determined to transform its economy and society in order to meet the requirements and create a better quality of life not only for today's generations but also for the future ones and some progress has been made, there are many pending problems in the area of economy, society and environment.

The need for structural reforms that would foster economic resilience and cohesion must be met and increased growth rates and reduced debt rates must be achieved for the EU to have a robust and stable economy. Also, inequalities and a wide gap among the certain regions within Europe are still present and if not addressed can jeopardize social cohesion and destabilize social and political arena in and between the Member States. These inequalities are also proven by the fact that the proportion of middle wage workers is shrinking across the EU and the growing gap between the middle class and upper class is still there and women being the ones to be most affected by income inequality. Demographic landscape signals that the EU will face the issue of dramatic consequences of aging population in near future and the current ratio of 3.5 workers/1 pensioner will change into 2 workers/1 pensioner by 2070.

When it comes to the environmental issues, even though the EU has created some of the highest environmental standards and ambitious climate policies, “the EU fossil fuels continue to benefit from public subsidies of around EUR 55 billion per year”. Also, biodiversity and ecosystems are largely endangered given the fact that only 23% of species and 16% of habitats are in good health.

The road to sustainable future

All the issues the EU needs to address are interconnected and complex and thus, cannot be resolved by handling them in an isolated manner. The EU’s resolution to make transition to a low-carbon, climate neutral and biodiverse economy is aligned with the UN 2030 Agenda and 17 Sustainable Development Goals that represent the map for developing strategic policies for the next budget period 2019-2024 as well as the 2021-2027 Multiannual Financial Framework (MFF).

The policy areas that will be in focus when it comes to improvements needed and reforms being adopted and implemented are circular economy, agriculture, energy, and society. Policy coherence at all levels is an indispensable pre-condition for the achievement of long-term green and inclusive growth.

Beyond the policy level, other factors will largely be responsible for the success of the movement towards sustainable future and will determine the outcome and results of the transition. Education, research, innovation, technology and digitisation present the one of the prerequisites for the successful transition and enable sustainable competitiveness and growth. Also, the shift in the financial system, pricing, taxation and competition will create more fertile ground for the achievement of the SDG Agenda. The Investment Plan for Europe that was launched in 2015 plans to mobilise private capital for the public good. Moreover, the changes in fiscal systems will be necessary so the Member States will reduce taxes on labour and increase the ones on capital, pollution and environmental externalities. The role of sustainability reporting and responsible business conduct will be emphasised so companies and organizations would have more sustainable profits and growth and create long-term value for both shareholders and stakeholders.

In order to tackle all these issues, the EU will need to mobilise all stakeholders to take part in creating a fairer, more egalitarian society of the present and in protecting environment so to provide future generations with less problems and equal opportunity to enjoy the same quality of life.

There is no doubt that the robust and successful transition to sustainable future would make the EU stand out and become the leader that will mobilize its global partners to pursue the same goal and aid them to achieve it. However, how successful the EU will be, depends on internal as well as external developments and the EU's MSs solidarity and responsibility to first help each other and then as the region to help the world to move to sustainable and prosperous future. The current circumstances do not seem to provide optimistic outlook and the enhanced commitment from both the EU and other global actors will be needed for the world to create more prosperous present and sustainable future.

Date Published: February 13, 2019

Sustainability in Fashion: A Necessary and Inevitable Change

“There’s no fashion on a dead planet.” This was just one of the protestors’ slogans who were expressing their rage and anger during the London Fashion Week by blocking Mercedes-Benz-sponsored cars and wearing green coats. Still, this year BBC Earth has launched a new brand to “place sustainable fashion at the heart” of London Fashion Week in collaboration with British Fashion Council and clothing company Mother of Pearl. There is a sign of a shift to more sustainable fashion and it has been present for almost two years now. But why is the fashion industry targeted by all these protestors that are present at almost every fashion event? And who is the one to blame for considerable environmental damages made by the fashion industry? The producers or the consumers?

Why is the fashion industry not sustainable?

There is no doubt that fashion is a big business nowadays and its role in the global economy is huge with estimated annual worldwide revenues of around £1.5 trillion. According to the research conducted by the Boston Consulting Group (BCG) and Global Fashion Agenda (GFA) ([Pulse of the Fashion Industry 2017](#)) in 2017, “the overall apparel consumption will rise by 63%, from 62 million tons today to 102 million tons in 2030”. And all these facts would not be so troublesome if all this growth of the fashion industry does not come at high environmental and social costs. The fashion industry is one of the largest polluters with uncontrollable water use, massive CO₂ emissions along the supply chain, use of petrochemicals, and poor waste management. Fast fashion that presents cheap clothing items produced rapidly by mass-market retailers in response to the latest trends has been taking its toll on the environment. Damaging plastic microfibres from polyester fabrics, artificial suede and cheap fabrics as well as hazardous chemicals used for dyeing of clothes. enter ocean ecosystems with devastating consequences. The production of cotton also does not come without a huge environmental cost and it is associated with freshwater resource depletion. Fast fashion does not prioritise health and safety, living wages, welfare and working conditions, forced labour issues, children rights.

Whose fault is it?

But where should we place producers and consumers in this story? There is a certain number of fashion companies that have started their journey in sustainability and the industry already celebrated green leaders, recycled fashion, circular fashion star objects. According to the Fashion Transparency Index 2018 by [Fashion Revolution](#), which demonstrates the readiness of the sector to disclose information on their suppliers, supply chain policies and practices, certifications and standards applied, and most important, social and environmental impact: “the average score for all 150 brands and retailers is 21% out of 250 possible points, proving that there is still a lot of work to be done”. In 2018 we witnessed an improvement of 5% average increase in the brands and retailers’ level of transparency compared to 2017. But is this enough? The lack of globally unified legislation that will be adopted by all countries, leave retailers take self-initiated actions to produce more sustainable products. Yet, the Fashion Revolution has launched the campaign **Who made my clothes?** in order to encourage brands and retailers to “respond with the hashtag [#imadeyourclothes](#) and to demonstrate transparency in their supply chain”.

But should we only question brands and retailers? Apparently not. Consumers, even though being aware of environmental, social and economic issues, their willingness to act may often be hindered by various factors such as availability, affordability, conflicting priorities, lack of trust and force of habit, as stated in the document published by the World Business Council for Sustainable Development (WBCSD) – [Sustainable Consumption Facts and Trends](#). Moreover, according to [The Sustainability Imperative-New insights on consumer expectations](#), Nielsen’s 2015 Global Corporate Sustainability Report, 73% of Millennials are willing to spend more on a product if it comes from a sustainable brand. When it comes to fashion, according to the [Fashion Revolution](#) consumer survey 2018, that included 5,000 people aged 16-75 in Europe’s largest markets (Germany, United Kingdom, France, Italy and Spain), more than one in three people take into account social (38%) and environmental (37%) impacts when buying clothes.

Let’s raise the awareness of sustainability in the era of consumerism!

Consumers can lead the shift to ethical and sustainable fashion! Vivienne Westwood, one of the most famous designers and environmental activist, urges us to: “Buy less. Choose well. Make it last”. So, let’s become more aware of the reality we are living in and the future we want to see. After all, majority of us are not rich enough to buy cheap things.

Date Published: February 21, 2019

Which Benefits can the Alignment with the SDGs bring to your Organization?

The adoption of **the Sustainable Development Goals (SDGs)** in 2015 has made a U-turn in how organizations and companies perceive a business model that has been used for almost three decades. The industrial business model, that is based on a linear approach and the depletion of scarce natural resources and all-for-profit attitude, has become outdated due to its inability to address the environmental and social challenges the 21st century world is faced with. In fact, these challenges have been generated by the underlying faults of the industrial business model that has not taken into account possible negative consequences of depletion of natural resources, exhaustion on the planet and human factor.

But how the adoption of the SDGs can redirect organizations to deploy more sustainable business models? What are the benefits of integrating the SDGs in a business strategy? Does the SDGs alignment guarantee an improved financial performance as well? These questions are common among organizations that are still indecisive and uncertain whether they should step on this new uncharted territory.

Is the equation: “SDGs alignment = Benefits” valid?

The **Sustainable Development Goals (SDGs)** are designed to move the world to a sustainable future by addressing and fighting off shared global challenges related to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice. Yet, apart from governments, organizations and companies as well as the 3rd sector and civil society are to play a crucial role in their adoption and implementation. But why should they go for it and invest in the adoption of SDGs?

The **SDGs** can unleash a huge opportunity for organizations and companies to blend purpose with profit by responding to global challenges and ever-present pressure coming from stakeholders for greater transparency and accountability. The benefits of aligning the SDGs with an organization’s business strategy include:

- Revenue growth achieved by creating new opportunities for market differentiation and growth through innovation
- Enhancing the operational efficiency along the supply chain, strengthening relations and reducing risks from 2nd and 3rd tier
- Enhanced interest from investors with ESG portfolios
- Improved employee recruitment process, enhanced loyalty and retention
- Responding in time to regulatory requirements
- Understanding and timely addressing product related risks and customer relations

The evidence for sustainable financial performance achieved by the adoption of the SDGs

The 2017 Business & Sustainable Development Commission report [Better Business Better World](#), has stated that “achieving the Global Goals in just four economic systems could open 60 market “hot spots” worth an estimated US\$12 trillion by 2030 in business savings and revenue”. These four economic areas are food and agriculture, cities, energy and materials, and health and well-being.

More than one year after this report was made public, [Trucost](#) has announced the results of the inaugural application of its [SDG Evaluation Tool](#) revealing that 13 companies that participated in the tool application generated almost \$233 billion of SDG-aligned business revenues in 2017 which is equivalent to 87% of their total revenues. This result proves that by adopting and implementing the SDGs in their strategy, organizations can achieve better financial results in addition to other benefits.

Let's react in time and adopt the SDGs

With solid evidence emerging that the SDGs can aid organizations and companies in generating hundreds of billions of dollars of revenue and creating more resilient and sustainable business models, there is a hope that more and more organizations will bravely and resolutely embrace the SDGs and ultimately help their realization. The global progress towards the SDGs can be found on the [SDG-Tracker](#) which was launched on 28th June 2018. The challenges have been here for quite some time now and if organizations do not react in time, they risk losing a huge opportunity to embark on the trajectory of sustainable longevity and growth. The time to adopt the SDGs is now.

Date Published: February 27, 2019

The Importance of SMEs role in Achieving Sustainable Development

Small and medium-sized enterprises (SMEs) play a key role in the economies of all the countries in the world by their contribution to the national economic growth and employment. Nowadays, in a complex, competitive and volatile business environment, the adoption of Sustainability principles is of utmost importance for a steady and sustainable growth of the small and medium-sized enterprises and to a large extent their survival depends on it. Yet, the relationship between the SMEs and Sustainability is mutually interdependent and the success of Sustainability agenda is very much conditioned by SMEs while the growth of SMEs cannot be achieved without the integration of Sustainability principles into their business strategies.

SMEs as the main drivers of the global economic growth

SMEs contribute greatly to job creation and overall economic growth. According to the OECD report from 2017, [Enhancing the Contributions of SMEs in a Global and Digitalised Economy](#), in the OECD area, SMEs account for approximately 99% of all firms. Moreover, they contribute to about 70% of total employment and the “major contributors to value creation, generating between 50% and 60% of value added on average”. In developing economies, SMEs contribute up to 45% of total employment and 33% of GDP. These facts clearly indicate that the role of SMEs in Sustainability is of tremendous importance for Sustainability agenda to be realized and prove that the relationship between SMEs and Sustainability is irrevocably tied.

SMEs involvement in Sustainability

Although SMEs comprise an enormous large part of the national and global economies, they involvement in Sustainability is barely satisfactory since a very small numbers of them have adopted and integrated Sustainability principles in their business strategies and daily operations. According to **GRI's Sustainability Disclosure Database**, sustainability reporting by SMEs in 2017 accounted for just 10.22% and in 2018 15% (with not many reports submitted yet) of the total number of sustainability reports captured during the year, and this figure has remained almost the same for over the last seven years.

So, there is a question why Sustainability is not entrenched in SMEs. The reasons are numerous and vary by country and sector:

- Lack of awareness among employees about the importance of Sustainability
- Lack of awareness of business owners of the benefits of Sustainability practices
- Not available access to affordable financial resources
- Inadequate and insufficient skills and management developed practises
- Lack of information how to implement Sustainability
- The interference of intended sustainability initiatives with other business initiatives

Sustainability integration: A long journey for the SMEs

There is no doubt that SMEs have the potential to become the foundation of the domestic and global Sustainability agenda. In order to successfully integrate Sustainability principles and practices within the SME business culture, SMEs should understand the emerging opportunities and the relevance to them. In many cases, the message and narrative of the Sustainable Development Goals has not penetrated SMEs, and often SMEs are not aware of brave Sustainability decisions they already have been implementing. Research has pointed out that SMEs struggle to identify how they could use Sustainability as a force for growth and adapt to megatrends such as increased globalisation, digitalisation, the new industrial revolution, the changing nature of work and demographic changes. The recent [2018 SME Ministerial Conference](#) paper reveals how domestic governments and international bodies can design policies and strategies for effective deployment, measurement and monitoring of Sustainability integration in micro firms, young, innovative and high-growth SMEs. Sustainability Knowledge Group contributed to a 2016 nation-wide project under the auspices of the [Greek Institute of SMEs](#) in which we realised that SMEs also depend on the vote of trust of citizens, private and third sector as they embark on a journey of discovery. Further work conducted under the local UAE International Society of Sustainability Professionals (ISSP) chapter demonstrated that for the Sustainability agenda to be attained in the next eleven years, communities, countries and regions need to bring SMEs at the centre of the business stage and assure their growth potential is realised.

Date Published: March 1, 2019

Sustainable Development – Where has it all Started?

The legacy of the Brundtland Report

Nowadays, the world is on the mission to achieve the **Sustainable Development Goals (SDGs)** by 2030 that will put the humanity back on the right track of development and secure the future for the coming generations. But the idea of Sustainable Development is not a new one and it has been introduced more than three decades now. So, where has it all started?

Our Common Future

The concept of sustainable development was placed on the international agenda with the release of the report [Our Common Future](#) by the World Commission on Environment and Development (WCED) in 1987 and it is also known as the **Brundtland Report**. It was in this report that the definition for sustainable development was coined for the first time: **“development that meets the needs of, and aspiration of, the present generation, without compromising the ability of future generations to meet their own needs”**. Back in 1970s, and the beginning of 1980s, developed countries started to become more aware about environmental and social issues stemming from industrialization and growth that was based on the depletion of limited natural resources. The WCED was asked to formulate **“A global agenda for change”** and this urgent request came from the General Assembly of the United Nations in 1983. The WCED at the time focused its attention on the areas of population and human resources, food security, the loss of species and genetic resources, energy, industry, and the urban challenge, realizing that all these issues are deeply intertwined and cannot be tackled separately. According to the WCED, ‘sustainable development is a process of change in which the exploitation of resources, the direction of investments, the orientation of technological development; and institutional change are all in harmony and enhance both current and future potential to meet human needs and aspirations.’ The report emphasised the need for accepting sustainable development as a “global objective” and it called for “a new era of international cooperation based on the premise that every human being – those here and those who are to come – has the right to life, and to a decent life.”

Moreover, in the report, the WCED recommended the necessary steps that should be taken to ensure a sustainable present and future and these are relevant today as well:

- Revive economic growth
- Change the quality of growth
- Meet essential needs and aspirations for jobs, food, energy, water and sanitation
- Ensure a sustainable level of population
- Conserve and enhance the resource base
- Reorient technology and manage risk
- Include and combine environment and economic considerations into decision-making

The UN Sustainable Development Agenda 2030 and its goals bear much resemblance with the objectives of the 1978 WCED report. It seems that the world has disregarded the report from 1987 as not an urgent call for action and found itself facing the same issues only three decades later. The blame for this neglect should not be placed on any specific nation, let alone a person but apparently what was missed during the period of 30 years and is still missed today is the political will to seriously and responsibly address our common future. There is only one way out and that is the cooperation of all nations on building a sustainable common future for the present generations and the ones that will come.

What the future holds

Fast forward to 2019. The 1978 WCED report gave to the world the most coined definition in the field of Sustainability. The recent UN Sustainable Development Agenda 2030 and its goals bear much resemblance with the objectives of the 1978 WCED report, evidencing a sad realisation: the urgent call of action of WCED was taken lightly. The lack of an increased political will to

Three years after the adoption of the 17 SDGs, we see a positive update on a global scale. The movement to use the SDGs to tackle all key issues facing humanity with tangible results is growing stronger. We see a global, regional, national unease to turn into a force for change that leaves no one untouched. Private and 3rd sector, entrepreneurs, organised social movements push Governments to take responsibility and leave nothing to chance. It is only through global cooperation that we can secure a sustainable common future for the present generations and the ones that will come.

Date Published: March 8, 2019

Where do we Stand on Gender Equality?

Gender parity and its role in achieving a sustainable future

More than 100 years long women's fight for gender equality is still relevant today and although some achievements were accomplished during this period, there is still so much to be done. Women's rights are characterized by an inherent historical and traditional bias towards women and girls, with often deeply entrenched beliefs that women have a certain role in a society and can follow certain paths have been present during the whole recorded history. In the late 19th and the early 20th century, women succeeded to become involved in the decision-making process and they were granted the right to vote, then the right to own property, to work, to education, to enter into legal contracts follow suit. Yet, nowadays women still have a lot of battles to fight.

Gender equality and empowerment of all women and girls as a part of the UN Sustainable Development Agenda 2030

Although there has been progress towards gender parity and women empowerment during the previous decade, there is still a long way to go to improve women's position in a society and achieve gender parity in all important areas: health, education, economy and politics. The UN Sustainability Agenda 2030, under the [Goal 5](#), includes the following targets:

- 5.1** End all forms of discrimination,
- 5.2** Eliminate all forms of violence,
- 5.3** Eliminate all harmful practices,
- 5.4** Recognize and value unpaid care and domestic work,
- 5.5** Ensure women's full and effective participation and equal opportunities for leadership,
- 5.6** Ensure universal access to sexual and reproductive health and reproductive rights,
- 5.A** Undertake reforms to give women equal rights to economic resources,
- 5.B** Enhance the use of enabling technology,
- 5.C** Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of women.

Gender equality is beyond basic human right; it is the base for the achievement of more prosperous and sustainable future.

Where do we stand today?

Nowadays, women are still not equally represented in the decision-making process and not equally paid for the same type of job. According to the [Women in business 2018 report](#) issued by Grant Thornton, at the global level, the percentage of women in senior roles is declining and women hold under a quarter (24%) of senior roles across the world in 2018, a decrease from 25% in 2017. Moreover, **for every dollar a man earns, on average a woman is paid 54 cents** and it **will take 202 years** for this gap to be closed according to the World Business Forum. According to [The Global Gender Gap Report 2018](#) issued by the World Economic Forum, 'the 149 countries covered in the Report have closed 95.4% of the gap in health outcomes between women and men and more than 95.6% of the gap in educational attainment'. What is discouraging is the fact that there is **41.9% of the economic participation gap that needs to be closed** and **about 77.1% of the political gap to be closed**. Gender disparity is visible even on the big screen where the [gender ratio is 1.52 male characters to every 1 female character](#) on screen.

#BalanceForBetter

Gender equality is a social issue, visible in societal norms and sense of identity, and it often seems that there is a lack of awareness of the fact that achieving gender parity can only make the world more prosperous and peaceful. The 2019 **#BalanceforBetter** campaign aims to raise awareness that gender balance is essential for economies and communities to thrive and that women should be equally represented in economic and political decision-making. Yet, raising awareness is not enough. The deep structural changes and effective policies and legislation frameworks required are not easy to implement. The example of [Sweden](#) "gender equality is one of the cornerstones of Swedish society. The aim of Sweden's gender equality policies is to ensure that everyone enjoys the same opportunities, rights and obligations in all areas of life. and countries like Sweden" sums up the message that "progress in all aspects of society" requires the active and equal participation of women and men.

Date Published: March 15, 2019

Green New Deal: an Initiative to Redirect the USA Towards a Sustainable Future - Is it Sustainable?

In February 2019, The [Green New Deal Resolution](#) was presented to Congress laying out a series of goals that should not just help the USA fight climate change but also overhaul the whole US economy. The Green New Deal programme aims to transform the US economy by “tackling the economic inequality, injustice, and the threats of climate change”. The program is bold and sets necessary and highly ambitious goals which realization should make the US become a country whose economy will be based on environmental sustainability and economic stability. Yet, the Green New Deal has not been so welcomed due to its “unrealistic” socio-economic program and it is left to be seen whether its realization will be achieved.

The Green New Deal is designed to convert the grey economy into a green, sustainable economy that is “environmentally sound, economically viable and socially responsible”. The transition to a zero carbon, green economy will include:

- **Investment in green business by providing grants and low-interest loans to grow green businesses and cooperatives, with an emphasis on small, locally based companies**
- **Move to 100% clean energy by 2030: Prioritizing green research by redirecting research funds from fossil fuels and other dead-end industries toward research in wind, solar and geothermal**
- **Provide green jobs by enacting the Full-Employment Program, which will directly provide 16 million jobs in sustainable energy and energy-efficiency**

Even though the environmental policies included in the Green New Deal would be costly, they are found to be viable and necessary for the country. Yet, many oppose the socio-economic policies which are laid out in [Green New Deal FAQ](#):

- “A job with a family-sustaining wage, family and medical leave, vacations, and retirement security”
- “High-quality education, including higher education and trade schools”
- “High-quality health care”
- “Safe, affordable, adequate housing”
- “Economic environment free of monopolies”
- “Economic security for all who are unable or unwilling to work”

According to an [article](#) published by Bloomberg, the plan is unaffordable and its realization would drive the US into hyperinflation and economic turmoil. On the other hand, the renowned economist and professor Jeffrey Sachs in his [article](#) in CNN International, claims that “the Green New Deal agenda is both feasible and affordable and this will become clear as the agenda is turned into specific legislation for energy, health care, higher education, and more”. Moreover, he criticizes the opposed opinions which, he claims, are coming from “the right wing and corporate lobbies”.

The Green New Deal apparently represents the whole new idea of how the US economy and society should look like in the 21st century and its adoption and implementation will ask for a political will to turn the country in a more socially just and green energy-based economy. Will the US succeed in carrying out this plan? It is left to be seen.

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An Introduction to the Task Force on Climate-related Financial Disclosures (TCFD): What does it mean for Business?

Sustainability frameworks are important for organizations aiming at disclosing their contribution to sustainable development and enhancing credibility with stakeholders. Sustainability frameworks aid companies in selecting and implementing sustainability programs by developing and applying a sustainability strategy to achieve, among others, competitive advantage and leverage efficient business operations. In the wide array of established industry-led initiatives, the **Task Force on Climate-related Financial Disclosures (TCFD)** disclosure framework, is focused solely on the financial disclosure related to climate change risks.

Why is there a need for the TCFD?

There is global awareness of the tremendous consequence of climate change it has on the world and global economy. Climate change may cause serious damage to organizations' financial performance unless they do take precautionary and preventive measures to avoid both long-term and short-term climate change related risks. Apart from physical risk, changes in policy, risks brought about by globally agreed transition to a lower-carbon economy that is based on the use of clean and energy-efficient technologies, can lead to exposure to unforeseen risks.

But are organizations prepared to manage challenges associated with measuring and disclosing information on climate change related risks? And if so, how such disclosure will enable identifying solutions faster? An answer to this question is what investors, lenders and insurers are looking for. Financial dislocations and sudden losses in asset values could be possible consequences of disruptive changes brought by climate change. Responding to these concerns, in 2015, the G20 Finance Ministers and Central Bank Governors asked the **Financial Stability Board (FSB)** to review how the financial sector can take account of climate-related issues. The FSB response was the development of the **Task Force on Climate-related Financial Disclosures (TCFD)**, a voluntary and consistent framework that should aid investors, lenders, insurers and underwriters in assessing and pricing climate-related risks and opportunities.

The Task Force recommendations report

In the [2018 Status Report](#) and the 2017 “[Recommendations of the Task Force on Climate-related Financial Disclosures](#)” Report, the Task Force laid out key recommendations around four thematic areas: governance, strategy, risk management, and metrics and targets.

Key features of recommendations

- Adoptable by all organizations
- Designed to solicit decision-useful, forward-looking information on financial impacts
- Brings the “future” nature of issues into the present through scenario analysis
- Strong focus on risks and opportunities related to the transition to a lower-carbon economy

With the aim to help organizations “to developing climate-related financial disclosures consistent with the recommendations and recommended disclosures”, the Task Force developed a set of 11 principles for effective disclosure, and draws attention to four core elements:

Governance – The organization’s governance around climate-related risks and opportunities

Strategy – The actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning

Risk Management – The processes used by the organization to identify, assess, and manage climate-related risks

Metrics and Targets – The metrics and targets used to assess and manage relevant climate-related risks and opportunities

The future use of the TCFD

Given the fact that this new framework is in its initial stage of adoption, its adoption is not without its challenges and drawbacks. Apart from the financial sector, according to the Report, the Energy, Transportation, Materials and Buildings, and Agriculture, Food, and Forest Products sectors, can rip tangible benefits from this framework. There is no doubt, that in times of great uncertainty, organisations may need to make decision leading to heavy losses and financial instability. Including climate-related financial disclosures as part of financial reporting can support issuers and users to make well-informed decisions and “ultimately, support more appropriate pricing of risks and allocation of capital in the global economy”.

Date Published: April 4, 2019

Sustainable Economy & Shared Prosperity: How to Achieve a Common Vision?

It only takes a look back to the period after the WWII for one to realize the world has achieved tremendous economic growth during those five decades after its conclusion. The period after the WWII was directed to economic growth that would lift the world from the consequences of the war destruction. And the period from 1945 to 1973 was the period of economic expansion and the Golden Age of Capitalism indeed. What followed after the 1973-1975 recession was a lower economic growth, but still a considerable one, at least for some countries. The global economic crisis that reached the peak in 2008 was a wake-up call for the world signalling that the economy that is based on growth, environmental destruction and social injustice cannot be a base for a sustainable and prosperous future.

Has the current economic model brought prosperity?

The world economy has been based on an intensive push for constant growth based on consumption, deregulation of financial system and depletion of limited resources. This model of economy proved to be unstable and unsustainable and has just brought prosperity to a tiny privileged group of people leaving a huge gap between the rich and the poor. According to [The World Inequality Report 2018](#) issued by World Inequality Lab, "at the global level, inequality has risen sharply since 1980, despite strong growth in China". The model of modern economy has generated such a level of inequality that "the top 1% richest individuals in the World captured twice as much growth as the bottom 50% individuals since 1980". Moreover, the middle-class incomes in Western countries have been sluggish and stagnant since 1980. If prosperity, which is intrinsically linked with economic growth, has been delivered unequally then we can only conclude that the current economic model has failed us. There is no doubt that the current development models require an overhaul. But what needs to be done?

The policy proposals for a sustainable economy and a shared prosperity

The recent report [Prosperity without growth? The transition to a sustainable economy](#) published by Sustainable Development Commission, lays out 12 policy proposals that can facilitate the transition to a sustainable economy and that comprise the aspect of macroeconomy, social and human capital and protection of environment:

1. "Developing macro-economic capability";
2. "Investing in public assets and infrastructures";
3. "Increasing financial and fiscal prudence";
4. "Reforming macro-economic accounting";
5. "Sharing the available work and improving the work-life balance";
6. "Tackling systemic inequality";
7. "Measuring capabilities and flourishing";
8. "Strengthening human and social capital";
9. "Reversing the culture of consumerism";
10. "Imposing clearly defined resource/emissions caps";
11. "Implementing fiscal reform for sustainability";
12. "Promoting technology transfer and international ecosystem protection."

Shared prosperity

Even though these policies may appear to be a bit idealistic, only a huge shift of the current practices can bring the world back on a right track to achieve what can be a sustainable and prosperous future for all. The words uttered by Barack Obama in 2008 are still relevant today: "I think all of us here today would acknowledge that we've lost that sense of shared prosperity." And if we have any doubts about the changes needed in times of distress and inequality, we should ask ourselves: Can we say that prosperity is real if it is based on overconsumption, depletion of natural resources, degradation of environment and human rights? The response would probably be NO. It's no easy for the world to turn its back to consumerism and embrace real human values, but it's not impossible either; and then we may have a chance to achieve collective happiness, shared prosperity and sustainable economy.

*This blog post is based on the [Prosperity without growth? The transition to a sustainable economy](#) Report, published by the Sustainable Development Commission.

Date Published: April 10, 2019

The Council adopts Conclusions on a Reflection Paper “Towards a Sustainable Europe by 2030”

In January 2019, European Commission issued the reflection paper [Towards a Sustainable Europe by 2030](#) we wrote about in our recent February [blog](#). On the 9th of April, the Council of the European Union (the Council) responded to the paper by issuing a set of conclusions underlying the paramount importance of sustainable development for the European Union (EU), emphasising that it is in the EU's interest to continue to play a leading role in implementing the 2030 Agenda.

In their document titled [Towards an ever more sustainable Union by 2030](#), their twenty-seven conclusions are laid out under four focus areas:

1. **The European Union: at the forefront of sustainable development;**
2. **Taking action now;**
3. **Supporting the SDGs across the world;**
4. **Strengthening partnerships and stakeholder participation.**

In the first section, the Council welcomes the European Commission's Reflection Paper "Towards a Sustainable Europe by 2030", pointing out that "sustainable development lies at the core of the European Union, as set out in the Treaties, and that **the principles of the 2030 Agenda are embedded in the principles and values upon which the Union is founded**". Also, the Council emphasizes the EU's leading role in driving the implementation of the 17SDGs forward "in partnership with the United Nations, through reaffirmed and enhanced multilateralism, and shared values".

In the second section, the Council states that "there is **a strong and urgent need to shift to a comprehensive, overarching and ambitious approach at EU level**, which builds upon elements of the scenarios presented in the Commission's Reflection Paper" and that this approach should guide present and future actions at EU level, "in particular during the next legislative term, which will be crucial for delivering on the SDGs". Moreover, the Council stresses that the main policy foundations for a sustainable future of Europe as well as the principles of the 2030 Agenda and its 17 SDGs should be taken into consideration in the discussions on the next EU Strategic Agenda 2019-2024.

In its third section, the Council recognizes the need for a global action regarding the EU as “**a firm supporter of the multilateral approach to tackling global challenges**”. This support should be deployed through “**policy dialogues and development programmes** based on the 2030 Agenda and its SDGs”.

In the last section, the Council reminds that the implementation of the Agenda 2030 cannot be achieved without the enhanced collaboration at all levels and among all stakeholders. Also, the Council places an emphasis on the role of the private sector in achieving the SDGs, through “market-based partnerships, investments and business models in line with **Responsible Business Conduct (RBC)** and **Corporate Social Responsibility (CSR) principles**” and underpin a robust EU policy framework.

The conclusions of Council demonstrate the urgency of realizing the 17SDGs by 2030 and that the principles of the 2030 Agenda must be included in the new framework of the next EU Strategic Agenda 2019-2024. Emphasising the importance of global action and enhanced cooperation of all stakeholders, the Council points out the common truth that only by working together can we achieve great things for humanity and the planet, and it is our responsibility to safeguard a prosperous future for the generations to come. When the future of the planet and our shared prosperity are at stake, then there is no excuse for inaction.

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Innovative Entrepreneurship and Sustainable Development – Finding the link

The Fourth Industrial Revolution (4IR) has been driven by the unprecedented technological change and is asking for a completely new approach to the new economy. In this new model of economy, both innovation and entrepreneurship play a crucial role in supporting sustainable development by disregarding all the rules and obedience we have been relying on during the First and Second Industrial revolutions. This new model of economy is based on knowledge and innovation as well as on enhanced cooperation among different actors. This new model of economy- knowledge economy calls for continuous improvement and innovation of products, services and processes. But how does it help sustainable development?

Innovative Entrepreneurship- what is it?

While heavily exploring limited natural resources during the First and Second Industrial Revolution, humanity was not aware of all devastating consequences of such practice on environment and society. Nowadays, after decades of exploiting environmental resources and neglecting environmental challenges, humanity is trying to redirect the wheel to a more equitable and sustainable future. Also, not only environment has been affected by degradation but also society has undergone tremendous changes and it is faced today with a presence of huge inequality between the rich and the poor and almost disappearance of the middle class. The Fourth Industrial Revolution, that is rooted in digitalization and automation, has brought a shift in approach to how we work and how we utilise human and natural resources. The nature of work has undergone an overhaul and nowadays it is based on knowledge and innovation that are mainly centred in small circles of independent professionals working in networks, and these professionals are becoming the driver of innovation, awareness and tangible solutions. These entrepreneurs use their personal drive and talents and are free to take initiative and responsibility to create new disruptive and value adding products and services. In this respect, Boyan Slat, a young Dutch entrepreneur has designed Ocean Clean-up machine when he was still a teenager attending high school. Young and enthusiastic entrepreneurs flourish in the field of social entrepreneurship. Rebeca Minguela, is a founder and CEO of [Clarity](#), a company that uses data science to address the problem of unequal capital allocation.

Innovative Entrepreneurship as a tool to achieve sustainable development (goals)

Innovative entrepreneurship is perceived as a tool for achievement of sustainable development (goals) and its role can be seen in both technological and social entrepreneurship. Technological innovation that is based on creation of disruptive models based on the Internet of things, digitization, artificial intelligence and blockchain has changed the input used to design products and services. Yet, apart from innovation taking place in large corporations, it is more present in start-up ecosystem where a relatively small group of talented and enthusiastic professionals are finding solutions for current issues and anticipated risks and directly or indirectly drive sustainable development forward. For instance, [Planet](#) a start-up founded in 2010 by a small team of physicists and engineers, today operates the world's largest constellation of Earth-imaging satellites. It provides access to the data gathered from real-time monitoring of the earth's surface, believing that "timely, global imagery and analytics will empower informed, deliberate, and meaningful stewardship of our planet". Social entrepreneurs are tackling the SDGs in innovative and scalable ways and they are critical to achievement of sustainable development (goals). [Chatterbox](#) is a start-up creating social impact by helping refugees to re-enter the world of work with confidence and self-assertion and not to be marginalised and underemployed after leaving their war-torn countries.

Is sustainable development even possible without innovation?

For sure, it is not. The sustainable solutions our world needs cannot be created without creative and innovative thinking and practical application. But innovation can be found anywhere and often is hidden in small start-up communities, not constrained by corporate procedures, linear thinking, and strict policies. Yet, traditional business is reaching out to smaller start-ups, looking to incorporate -what may be considered- disruptive approaches to the mainstream corporate world and we have witnessed such collaborations come to fruition. It is without doubt that knowledge, passion, talent and creativity drive the world forward and will certainly drive the world towards a sustainable future.

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Economic Degrowth and Sustainable Development: Exploring a Paradigm Shift

“Anyone who believes that exponential growth can go on forever in a finite world is either a madman or an economist”. This statement given by Kenneth Boulding, the renowned economist back in 1970s, is relevant more than ever. After decades of economic growth that was based on the depletion of natural resources, stretching the limits of our planet, it has become obvious that such growth is not sustainable and does not go hand in hand with quality of life for all, nor sustainable development. And although economic growth has brought many benefits, this pattern of one-sided development based on the Industrial Revolution model has now become obsolete. That is why the concept of economic degrowth has emerged lately and it does not imply stagnation, but on the contrary, a more rational and balanced growth with respect to natural resources and social inclusion.

Why consider degrowth?

In September 2018, the [Post-Growth 2018 Conference](#) took place in Brussels, organized by [ten Members of the European Parliament](#) representing five political groups in order “to re-think future policies and discuss alternatives respecting the environment, human rights and viable economic development”. The aim of the conference was to challenge the EU institutions’ policies, criticizing the continuous pursuit of growth and taking GDP as the primary measure of development. The reasons given to support the concept of degrowth are following:

- “circular economy can only work to a limited extent”,
- “improving energy efficiency has not decreased our energy consumption – in many cases the opposite”,
- “because ‘decoupling’ economic growth from carbon emission growth is not enough to slow down global warming”,
- “inequality has been on the rise for decades, which worries even the rich 1%”,
- “our growth relies on debt and financial markets, prone to bubbles and collapses – but the system could be designed differently”.

How to handle degrowth?

Sustainable development requires “social inclusion and rational use of natural resources” but the current economic model, that emphasizes growth at any cost, is at odds with main characteristics of such development. The key question is how sustainable development can be attained but without the sacrifices of the current economic growth model we have witnessed so far.

The proposal came from a group of more than 200 academics who published their suggestions in a [letter](#) directed to the European Union, asking EU and its member states to:

“Constitute a special commission on post-growth futures in the EU parliament. This commission should actively debate the future of growth, devise policy alternatives for post-growth futures, and **reconsider the pursuit of growth as an overarching policy goal”**,

“Incorporate alternative indicators into the macroeconomic framework of the EU and its member states. Economic policies should be evaluated in terms of their impact on human wellbeing, resource use, inequality, and the provision of decent work. These indicators should be given higher priority than GDP in decision-making”

“Turn the Stability and Growth Pact (SGP) into a stability and wellbeing pact. The SGP is a set of rules aimed at limiting government deficits and national debt. It should be revised to ensure member states meet the basic needs of their citizens, while reducing resource use and waste emissions to a sustainable level”

“Establish a ministry for economic transition in each member state. A new economy that focuses directly on human and ecological wellbeing could offer a much better future than one that is structurally dependent on economic growth”.

Is degrowth feasible?

Well, there is no an easy answer. During the last decades, there has been an economic growth, but it has depleted the limited natural resources and its benefits have not been allocated fairly. Yet, how humanity can move forward and develop sustainably implementing degrowth strategy will be answered by policy makers but it seems that Kenneth Boulding knew the answer: **“The troubles of the 20th century are not unlike those of adolescence – rapid growth beyond the ability of organizations to manage, uncontrollable emotion, and a desperate search for identity. Out of adolescence, however, comes maturity in which physical growth with all its attendant difficulties comes to an end, but in which growth continues in knowledge, in spirit, in community, and in love; it is to this that we look forward as a human race.** This goal, once seen with our eyes, will draw our faltering feet toward it.”

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External Assurance of Sustainability Reports: Investing on Transparency

To find out more on External Assurance, we invite you to [read our brochure](#)

Sustainability reporting is gaining momentum as there is stakeholders' ever-rising demands for more transparent and better communication regarding the sustainability practises, initiatives and performance of companies and organizations. However, issuing a sustainability report is not always enough if an organization wants to gain credibility and trust. **External Assurance** is an essential step for those organisations that want to increase confidence in the quality of their sustainability content, data and processes portrayed in a report, as it provides an independent, third-party view of the thoroughness and relevance of the sustainability systems and approach.

Available Standards

A constantly rising number of organizations are disclosing social, economic and environmental performance information as part of their sustainability reporting process, in order to respond to user expectations and to meet regulatory requirements. These organizations can opt for one of two key assurance standards that are widely used – [AA 1000AS](#) and [ISAE 3000](#). **The AA1000 Assurance Standard (AA1000AS, 2008) with 2018 Addendum** (the revised version will be launched in 2019) is the leading methodology used “to evaluate the nature and extent to which an organization adheres to the AccountAbility Principles”. The AA1000 Series of Standards are founded on the principles of:

1. **Inclusivity** – People should have a say in the decisions that impact them
2. **Materiality** – Decision makers should identify and be clear about the sustainability topics that matter
3. **Responsiveness** – Organisations should act transparently on material sustainability topics and their related impacts
4. **Impact** – Organisations should monitor, measure and be accountable for how their actions affect their broader ecosystems

The fourth principle (Impact) has been introduced as one of the recent advancements of the **AccountAbility Principles (AA1000AP, 2018)** on which **The AA1000 Assurance Standard (AA1000AS, 2008) with 2018 Addendum** are based on. There are two levels of AA1000AS (2008) assurance:

1. **A high level of assurance;**
2. **A moderate level of assurance.**

ISAE 3000, similarly to AA 1000AS, is the standard for assurance over non-financial information and it is issued by the International Federation of Accountants (IFAC). The standard consists of guidelines for the ethical behaviour, quality management and performance of an ISAE 3000 engagement. **ISAE 3000** recognises two types of assurance engagement, the “reasonable assurance engagement” and “limited assurance engagement” to refer to the different nature, timing or extent of evidence-gathering procedures.

Although both standards are used for External Assurance they are built on different premises and take different approaches; AA1000AS is designed by sustainability professionals to focus on the quality of an organisation’s reporting and performance, with emphasis on materiality, impact, stakeholders and strategy. On the other hand, **ISAE 3000** for “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” is a standard for any assurance engagement focusing on procedures, terms of engagement and engagement performance. However, these two standards can be used together.

The value of External Assurance

Reporting organisations turn to External Assurance to validate that the disclosures made in their sustainability report are true and reliable. As such, External Assurance allows organizations to drive continuous improvement by strengthening their relations with stakeholders and implementing the necessary measures and recommendations suggested by the independent assurance provider who conducted the assurance. Today, sustainability reporting alone, is more often than not, not sufficient to make an organization appear credible in the eyes of its stakeholders, especially in certain industries with high stakeholder and regulatory pressures. Obtaining External Assurance should be a priority for organizations who want to enhance recognition and invest in trusting relations as well as confidently communicate their achievements. The purpose of External Assurance goes beyond a statement from a third party that the contents of a report are true based on certain principles; it enhances confidence about the integrity of information and of underlying operational processes and improves the quality of an organization’s decision-making process. Organizations should not separate the process of sustainability reporting from External Assurance but embrace both in order to achieve real and long-lasting growth.

To find out more on External Assurance, we invite you to [read our brochure](#)

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Plastics & Sustainability: Debunking the Myth

When Leo Baekeland created Bakelite, the first real synthetic, mass-produced plastic in 1907, little did we know of the growing concern over its extensive usage and its impacts on the environment and people's health in just over 100 years. Still, there are so many not well-known facts regarding the usage of plastics. Why have plastics become so widely used? What is the economic rationale behind it? How can they harm the environment and threaten human health? How can we reverse their damaging effects?

The omnipresence of plastics

The [mass production of plastics](#) started in the 1940s and since then they have been used widely not only for packaging but also in building and construction, textiles industry, consumer and institutional products, transportation, electrical/electronic industry and industrial machinery. [The global production of plastics](#) increased from 1.5 million metric tons in 1950 to nearly 350 million metric tons in 2017. With numerous applications due to their light weight, strength, durability, cost-effectiveness and ability to be moulded into any possible shape, plastics have brought many benefits to society and there are countless end products that contain at least a tiny part of plastics. [In 2016](#), the global market for plastic products was worth \$1.1 trillion and since the market is growing at about 3% year on year, it is expected to worth \$1.2 trillion by 2020. When it comes to [regional distribution of global plastics production](#), Asia is the largest producer of plastics counting to 50.1%, followed by Europe (18.5%) and NAFTA (the United States, Mexico and Canada) (17.7%). This ever-growing rise in production is largely contributed to cost effectiveness and high-durability, especially in packaging industry.

Environmental costs of plastics

According to the [Plastics and Sustainability: A Valuation of Environmental Benefits, Costs](#) report, "the total environmental cost of producing plastic materials for the consumer goods sector was over \$60 billion in 2015, and the transport of these materials to market added a further \$53 billion in environmental costs (totalling over \$113 billion per annum)". Even though people have recently started cutting down on consumption of plastics, the damage that have been done to the environment, wildlife and especially oceans is enormous. According to the [Ocean Conservancy](#), in less than 10 years, scientists predict there will be 250 million metric tons in the ocean and by 2050, there will be more plastic in the oceans than there are fish. Plastics that find their way to the oceans, usually end up being eaten by marine animals with devastating and life-threatening consequences.

Yet, the main concern are not plastic products that are visible but microplastics (either manufactured or created when plastic breaks down) that cannot be easily noticed. Their ingestion has been widely reported in marine organisms, including seabirds, fish, mussels, worms and zooplankton and in this way, they can find their way to humans through the food chain.

What is good about plastics?

It seems that after the world has realized all damaging effects of plastics, it has started diminishing all their benefits. According to the [Plastics and Sustainability: A Valuation of Environmental Benefits, Costs](#) report, “substituting plastic in consumer products and packaging with alternatives that perform the same function would increase environmental costs from \$139 billion to a total of \$533 billion”. Apart from that, plastics can contribute to significant environmental benefits and energy efficiency in the use phase. For instance, the use of light plastic parts in automobile industry leads to reduction in vehicle weight that translates into fuel-efficiency and eventually into a reduction in carbon dioxide emissions. Moreover, plastic insulation in the walls, floors, attic, and roof of buildings keeps heat in during the winter and out during the summer, drastically contributing to energy efficiency.

How to start using plastics more wisely?

Currently, although plastics are regarded to be one of major contributors to the global pollution, negatively affecting the environment; they also contribute to energy efficiency and reduction of CO2 emissions and their deployment should be managed wisely. According to the latest report by the World Economic Forum and Ellen MacArthur Foundation, applying [circular economy principles](#) to global plastic packaging flows could transform the plastics economy and drastically reduce negative externalities such as leakage into oceans. Moreover, the more sophisticated waste management both in developed and especially developing countries could be a solution to pollution caused by plastics. Even though, [in ten years](#), plastic packaging recycling has increased by almost 75%, there are still huge amounts of plastics transferred to landfills especially in the countries which lack solid waste management systems. So, what can be done? Responsibility to tackle plastic pollution issue lies with governments that need and should regulate single-use *plastic*, *encourage post-consumer recycling and reward business or production models that are radically innovative*. Often, *legislation* is slow to come to fruition, companies are hesitant to invest in new applications and we also have to battle the misconceptions, deep-rooted mindsets and concerns about plastics and their alternatives. Taking personal responsibility to end plastic pollution is the first step towards an urgent solution. To put the world on a safer climate trajectory and secure a sustainable future for humanity, everyone is expected to make at least a modest, valuable nonetheless contribution, and facilitate the transition from “take, make, dispose” to a more sustainable alternative model.

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From Funding to Financing: Transforming SDG Finance for Country Success

A summary of the WEF Community Paper

The Community Paper: “From Funding to Financing: Transforming SDG finance for country success” was issued in April 2019 by the World Economic Forum in collaboration with Climate Finance Advisors, Benefit LLC

The 2030 Agenda for Sustainable Development was adopted by all United Nations Members in 2015 and today, after more than three years into the implementation, countries are still working to translate the Agenda into actionable national development plans and strategies. Yet, according to [the most recent report](#) issued by the UN, “progress is insufficient to meet the Agenda’s goals and targets by 2030”. This slow progress is largely caused by the financial gap in development financing, and especially the developed countries are encountering challenges as they put their selected development goals into action and move from project funding to a national “strategic financing plan” for the Sustainable Development Goals (SDGs). [The Community Paper](#) focuses on the requirement of moving from single project funding to financing a pipeline of national projects, identifies key gaps and proposes a list of actions and potential solutions to be taken into consideration by the Global Future Council (GFC) on Development Finance*.

What does it mean to move from ‘funding’ to ‘financing’?

According to [the International Monetary Fund](#) (IMF), the real global GDP growth has peaked at 3.3% and given the growing income inequalities, it is unfeasible for governments to provide the investment needed to achieve the SDGs using budgets, tax revenues and development aid. Given that “the current gap in global development financing is significant, with an annual estimated investment requirement of \$2.5 trillion”, it is obvious that the public finance alone cannot achieve much in attaining the Agenda 2030, unless the domestic and international private capital have been mobilized. In addition, the financing of SDGs will require “a steady pipeline of projects” in order to achieve their sustainable development objectives. Yet, countries’ capacities to attract private sources of capital are limited, and this inability makes the realization of the Agenda 2030 hard to achieve.

What are the gaps?

[The Community Paper](#) identifies several important “building blocks” of good development that are necessary to safeguard that countries follow a right approach in financing and implementing their identified SDGs. These blocks present areas of necessary improvement in both: “(1) the way countries approach financing selected SDG goals at national level; and (2) how SDGs are supported by Development Financial Institutions (DFIs)” and ask for the following requirements to be met:

“An inclusive and effective development financing model – that should consider both public and private capital and the need to develop public infrastructure and the local private sector, the local financial system and markets, as well as to improve the legal, regulatory, policy and enabling environments to fully realize a country’s sustainable development objectives”

“Institutions and tools from the development finance community locally can be used to achieve impacts locally but they need to be deployed strategically to maximize the effectiveness of public capital and achieve mobilization at scale of private capital”

“Capacity and skills at the national level and within DFIs need to be in place in order for countries to best maximize their scarce public resources and catalyse investment from across a range of financing sources”

“Behaviour of governments that impede effective decision-making on development objectives”

“Measurement of ODA (Official Development Assistance) flows mobilized finance and impacts across SDGs is critical as part of a broader effort to better measure SDG achievement at the national level”

Most of these gaps and obstacles are systematic (legal, regulatory) and behavioural (capacity, skills) in nature. Yet, addressing all of them will enable the successful transition from a “funding” to “financing” paradigm.

Setting priorities to address the gaps

There are two actions that **the Global Future Council (GFC) on Development Finance** can undertake in 2019 to address “the gaps in the links between a country’s sustainable development planning process, pipeline development, country allocation and financing”. These are:

1: To champion country-level capacity building

2: To highlight gaps in the initiatives that support SDG plans and propose gap-filling measures and policy improvements

The proposed actions complement the significant efforts have been made on issues that address barriers and gaps that are financial in nature, but go even further, in order to address systemic and behavioural barriers and gaps.

Is a fast progress on implementing SDGs manageable?

Financing for sustainable development is critical for achieving a shared vision of sustainable future. Yet, the slow global growth and rising of debt risks, as well as countries' inability to mobilize various sources (domestic and international) of public and private capital, do not create a nourishing environment for faster implementation of the SDG agenda. The current financial system requires restructuring, to allow for new strategies that can align with the types and sources of capital that can be mobilized in order to advance sustainable development. While public capital alone cannot drive the Agenda 2030 forward, financing strategies that incorporate mobilising private capital, will provide the considerable support required to achieve national planning and successful implementation of the global 2030 Agenda.

***The GFC on Development Finance** is one of 38 councils convened by the World Economic Forum that focus on topics dedicated to promoting innovative thinking in order to shape a sustainable and inclusive future for all and is comprised of experts with extensive experience on topics relevant to development finance.

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21st Century Business Challenges: Do not let SDG-washing creep in

In 2015, the 193 United Nations member states committed to the adoption and implementation of the 17 Global Goals for Sustainable Development (Sustainable Development Goals, SDGs) with the aim to end poverty, fight inequality and climate change by 2030 and to secure a sustainable prosperous future for the coming generations. From the early start, it was clear that the key players to accelerate the achievement of the SDGs would be companies. Looking at the contribution of private companies in the adoption and implementation of the Sustainable Development goals in their strategies, we often come across the term: SDG-washing.

What is SDG-washing?

SDG-washing is a term that is used to refer to companies that acknowledge the existence of the SDGs and present ways in which they align with the SDGs but without making any valid and meaningful contribution to their achievement. Companies may exaggerate or even present false claims about their commitment to do good and contribute to the achievement of the SDGs. In some cases, companies may be cherry-picking goals or even masking out their negative impact on some goals. For example, a company may contribute to the reduction of the proportion of youth not in employment (SDG 8↑). Yet, it may do that by hiring mostly male young people (SDG 5 ↓). This is one of many examples how companies can present that they are performing well in implementing one of the SDGs by hiding the negative impact they have on the other one.

How to avoid SDG-washing?

The World Business Council for Sustainable Development has revealed in their [annual report](#) for 2018 that 89% of its member companies' reports have acknowledged the SDGs in some way, 53% of the reports have aligned sustainability strategy to the SDGs at goal level and provide clear evidence of activities to address them while only 15% have actually aligned their business strategy to specific SDG criteria and measured contributions to key SDGs. And the very key to avoid SDG-washing lies in the 169 targets and 232 specific indicators where the real change takes place. The purpose of the measurable indicators is to aid organizations and companies first understand and then measure, monitor and improve the progress being made.

Simply claiming alignment with the SDGs will not produce the accurate or meaningful disclosure of the impacts a company wants to make. Instead, as a first step, companies should employ a depth analysis of their sustainability strategy and align it with the measurable and specific targets and indicators. As reinforced by OECD: [“companies should do their due diligence on all SDGs”](#). Then deploy and implement a solid action plan which will help companies make real, honest and valid contribution to the achievement of the SDGs plan. Global Reporting Initiative (GRI), the UN Global Compact (UNGC) and the World Business Council for Sustainable Development (WBCSD) have [released a practical guide](#) for companies to maximize their contribution to the SDGs. UNGC as well, provides guidance on [“Taking a Principles-based Approach to the Global Goals”](#) to help companies uncover strategic opportunities and maximise their contribution to sustainable development.

Why to perform better on the SDGs?

The Sustainable Development Goals present the unique global initiative to lead the world to a prosperous and sustainable future that generations to come deserve. Yet, attaining the all 17 Goals is a huge and demanding task that asks for the mobilization of public, private and third sector, and no resources should be left unutilised. Especially companies have a chance to make a great contribution to secure a better future for all and at the same time to improve their performance as we [presented in a recent blog](#) on the benefits of SDGs for companies. Yet, this will be feasible only if companies commit wholeheartedly, without just adopting a surface level approach by ticking the boxes. It is not about ticking the boxes. It is about doing well by doing good.

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How can Universities Contribute to the Achievement of the Sustainable Development Goals?

The United Nations' Transforming Our World: The 2030 Agenda for Sustainable Development, was adopted in 2015, with the 17 Sustainable Development Goals (SDGs) as the cornerstone of this most important global agreement in the recent history. The achievement of the Sustainable Development Goals (SDGs) depends on the action taken by all stakeholders- from governments, businesses, civil society to individuals. Even though the importance of all stakeholders is crucial for the implementation and realization of the Agenda, the higher education institutions as knowledge producers can influence and [“empower people to change the way they think and work towards a sustainable future”](#). Well, there is a question how universities can contribute to the realization of the SDGs and what they can gain from it.

How universities can contribute to the SDGs?

[The Australia, New Zealand & Pacific Network of the Sustainable Development Solutions Network \(SDSN\)](#) in collaboration with the Australasian Campuses Towards Sustainability (ACTS) and the global SDSN Secretariat have produced a guide for universities, higher education institutions, and the academic sector titled [Getting started with the SDGs in universities](#). Its aim is to provide practical guidance to universities on how to contribute to the achievement of the SDGs. The role of universities and higher education institutions is critical in the achievement of the SDG agenda through the provision of the knowledge and solutions to underpin the implementation of the SDGs, creation of current and future SDG implementers, enforcement of the principles of the SDGs within their own governance, operations and culture, and provision of cross-sectoral leadership in implementation. This contribution can be divided into four sections:

Education: providing students with the knowledge, skills, and motivation to understand and address the challenges of the SDGs; empowering and mobilising young people; providing in-depth academic or vocational training to implement SDG solutions; enhancing opportunities for capacity building of students and professionals from developing countries to address challenges relating to the SDGs.

Research: Encouraging and promoting the SDGs as a topic of research within the university; supporting the full spectrum of research approaches needed to address the SDGs, including interdisciplinary and transdisciplinary research; supporting and incubating innovation for sustainable development solutions; actively supporting national and local implementation of the SDGs; advocating for national support and coordination of research on the SDGs.

Operations & Governance: aligning university governance structures and operational policies with the aims of the SDGs

External leadership: strengthening public engagement and participation in addressing the SDGs; initiating and facilitating cross-sectoral dialogue and action on SDG implementation; playing a lead role in policy development and advocacy for sustainable development; demonstrating the importance of the university sector in SDG implementation.

To support the role in Sustainable Development, the [UN](#) announced partnerships with 17 universities around the world, which will serve as centers to promote scholarship and best practices around each of the 17 SDGs.

How universities make a difference

The SDGs Agenda cannot be achieved without competent and credible leaders who will drive the agenda forward especially in the corporate world. Thus, business and management schools as well as other management-related higher education institutions have an enormous and profound influence in shaping the mindsets and skills of future leaders.

On this account, many universities globally have adapted their curriculum; they have introduced new degrees, both undergraduate and postgraduate on Sustainability, or new courses that discuss the role of the Sustainability and the SDGs and their practical implementation. Moreover, universities, and in particular business and management related higher education institutions have founded Centres of Excellence for Sustainable Development to promote the concept of Sustainable Development and encourage further learning, partnerships and research. In addition, inviting guest lecturers from the business world to convey practical experience on the application of Sustainability principles in the field and share their experience has become common. Aglaia Ntili, Managing Director of **Sustainability Knowledge Group**, has been invited as a guest lecture to many universities including Modul University, Canadian University of Dubai and the American University of Sharjah, to share her knowledge and experience on the way business work to adopt the SDGs.

A great initiative to help all universities and higher education institutions to take part in the implementation of SDG agenda is [“The Principles for Responsible Management Education \(PRME\)”](#), a platform founded to raise the profile of sustainability in schools around the world, and to equip today’s business students with the understanding and ability to deliver change tomorrow”.

Currently, there are over 650 signatories worldwide which are committed to “expand their engagement with peers and partners, with the purpose of scaling up accomplishments in the areas of sustainability and responsible management education”. **Murdoch University**, with which **Sustainability Knowledge Group** cooperates with in **Dubai**, is an advanced signatory of the PRME.

The invaluable role of higher education institutions

The SDGs agenda aims to tackle the world’s most pressing challenges like poverty, economic prosperity, inequality, social inclusion, environmental sustainability and peace and good governance by 2030. The knowledge and expertise that higher education institutions can offer are essential tools for pushing the Agenda forward. After all, knowledge has always been a driver of human evolution and progress and it has led to actions that changed the world we live in. This time, when the world is united in the mission to create a sustainable future, theoretical as well as practical knowledge and critical thinking are more important than ever.

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Standards in Social Responsibility: The Value of ISO 26000

ISO 26000 is an international standard developed to help organizations effectively integrate social responsibility into their strategy and operation. Applying ISO 26000 helps organisations implement socially responsible behaviours as part of their values and business practices and thus contribute to sustainable environmental, social and economic development. The standard was launched in 2010 after five years of negotiations among international stakeholders from public, private and third sector representatives and was developed by a working group of about 500 experts, achieving international consensus.

Using ISO 26000 to improve Social Responsibility performance

In order to fully comprehend the use and purpose of **ISO 26000**, the attention must be paid to the very definition of “social responsibility”, that [the standard](#) provides: “responsibility of an organization for the impacts of its decisions and activities on society and the environment, through transparent and ethical behaviour that contributes to sustainable development, including health and the welfare of society; takes into account the expectations of stakeholders; is in compliance with applicable law and consistent with international norms of behaviour; and is integrated throughout the organization and practised in its relationships.”

Supported by seven principles (Accountability, Transparency, Ethical behaviour, Respect for stakeholder interests, Respect for the rule of law, Respect for international norms of behaviour, Respect for human rights), the standard is designed to work in all organisational and cultural contexts and can be used by all types of organizations. Furthermore, the standard seeks to promote a common understanding of social responsibility. Therefore, ISO 26000 is applied within the existing societal, environmental, legal, cultural, political and organizational framework set by local, regional, national norms of behaviour, accepted or expected standards, economic conditions and environment.

The standard provides [guidance](#) on:

- Concepts, terms and definitions related to social responsibility;
- Background, trends and characteristics of social responsibility;
- Principles and practices relating to social responsibility;
- Core subjects and issues of social responsibility;
- Integrating, implementing and promoting socially responsible behaviour throughout the organization and, through its policies and practices, within its sphere of influence;
- Identifying and engaging with stakeholders; and
- Communicating commitments, performance and other information related.

Examples of linkages between International norms and ISO 26000



Examples of linkages between International norms and ISO 26000 (<https://www.iso.org/iso-26000-social-responsibility.html>)

The structure of ISO 26000

ISO 26000 is a reference document that provides guidance and not a management system standard. It does not contain requirements and, as such, unlike other ISO Standards, cannot be used for certification. According to ISO 26000, first steps of an organization should be to consider two fundamental practices of social responsibility: a) recognizing its social responsibility within its sphere of influence, and b) identifying and engaging with its stakeholders. The standard defines the core (seven) subjects of social responsibility but it is the responsibility of the organization to identify those issues that are relevant and significant to their stakeholders and thus need to be addressed.

These seven core subjects are the following:

1. **Organizational governance** (subclause 6.2)
2. **Human rights** (subclause 6.3)
3. **Labour practices** (subclause 6.4)
4. **Environment** (subclause 6.5)
5. **Fair operating practices** (subclause 6.6)
6. **Consumer issues** (subclause 6.7)
7. **Community involvement and development** (subclause 6.8)

The benefits of adopting ISO 26000 standard

The aim of ISO 26000 is to aid organizations in addressing their social responsibilities, making social responsibility operational, and identifying and engaging with stakeholders and enhancing credibility of the claims made about social responsibility. The document [Benefits in applying ISO 26000 – Selected case studies as a result of the SR MENA Project](#) presents the case studies of organizations that took part in the project (2011-2014) on the uptake and use of ISO 26000 on social responsibility within the Middle East and North Africa (MENA) regions. The Banque Libano-Française, operating in Lebanon recorded the following benefits of ISO 26000: “reduced energy consumption, increased range of products to reach wider audience, greater involvement in the community, improved reputation, strengthened stakeholder relationships, and greater staff engagement in socially responsible issues”. Similarly, the Water Authority of Jordan recorded the following benefits: amended vision, mission and strategy to integrate social responsibility principles (SR), enhanced staff and stakeholder satisfaction, increase in the number of contracts including SR-related clauses, new job creations, reduced fuel consumption, and rise in the number of tenders that now include sustainable procurement. COCHEPA in Morocco, active in the packaging industry, recognised the following benefits from ISO 26000 adoption: strengthened and clarified values in line with the principles of social, responsibility in the company’s policy, social responsibility promoted to suppliers, reduced CO2 emissions and environmental impact throughout the production chain, improved systems and processes, enhanced competitive advantage, and sustainable development report.

The value of ISO 26000

Organizations experience huge pressure from stakeholders to adopt responsible behaviours, act in a more socially responsible manner, and ultimately go beyond legal requirements. **ISO 26000** offers recommendations and guidance for organisations of all sizes and industries on how to structure, evaluate, and improve their social responsibility, including stakeholder relationships and community impacts. ISO 26000 helps organizations to “translate principles into effective actions and acting in an ethical and transparent way that contributes to the health and welfare of society”.

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The Power of Words – how can Words Change Mindsets and Sustainability Behaviours and Save us from Environmental Disaster?

“Action speaks louder than words”. Well, many linguists and psychologists would not agree with this well-known proverb. Language and words as its means are powerful enough to create thoughts and these thoughts initiate behaviours. And exactly here we come to the very facts that climate change is induced by human activity: that main contributors to the accumulation of greenhouse gases (GHGs) in the atmosphere include the burning of fossil fuels for heating and energy generation, that major threats to clean, fresh-water resources include contamination caused by human actions, that deforestation is caused by the action of converting forests to residential areas, and that all types of ocean pollution are generated by humans. This human behaviour that is detrimental to the environment needs to be reversed. One way to achieve this is the right selection of words that will trigger people to realise the magnitude of potential disaster, assume moral responsibility for their actions and why not, to even feel embarrassed for their wrongdoing.

The subtle changes in language can generate more ethical behaviour

Psychologists have conducted a vast amount of research to assess the effectiveness of different strategies designed to produce behavioural change. Thus, the Stanford’s [research](#), co-authored by Benoît Monin, Christopher Bryan and Gabrielle S.Adams, has showcased that “people were less likely to cheat for personal gain when a subtle change in phrasing framed such behavior as diagnostic of an undesirable identity”. The experiments conducted showed that a subtle linguistic change can prevent private unethical behaviour “by invoking people’s desire to maintain a self-image as good and honest”. Apparently, word choice can affect human behaviour at a very subtle level affecting their moral boundaries. Yet, can the change in terminology used to describe the current environmental crisis contribute to the behavioural change and make people act swiftly, more sustainably and responsibly?

Changing wording, changing behaviour

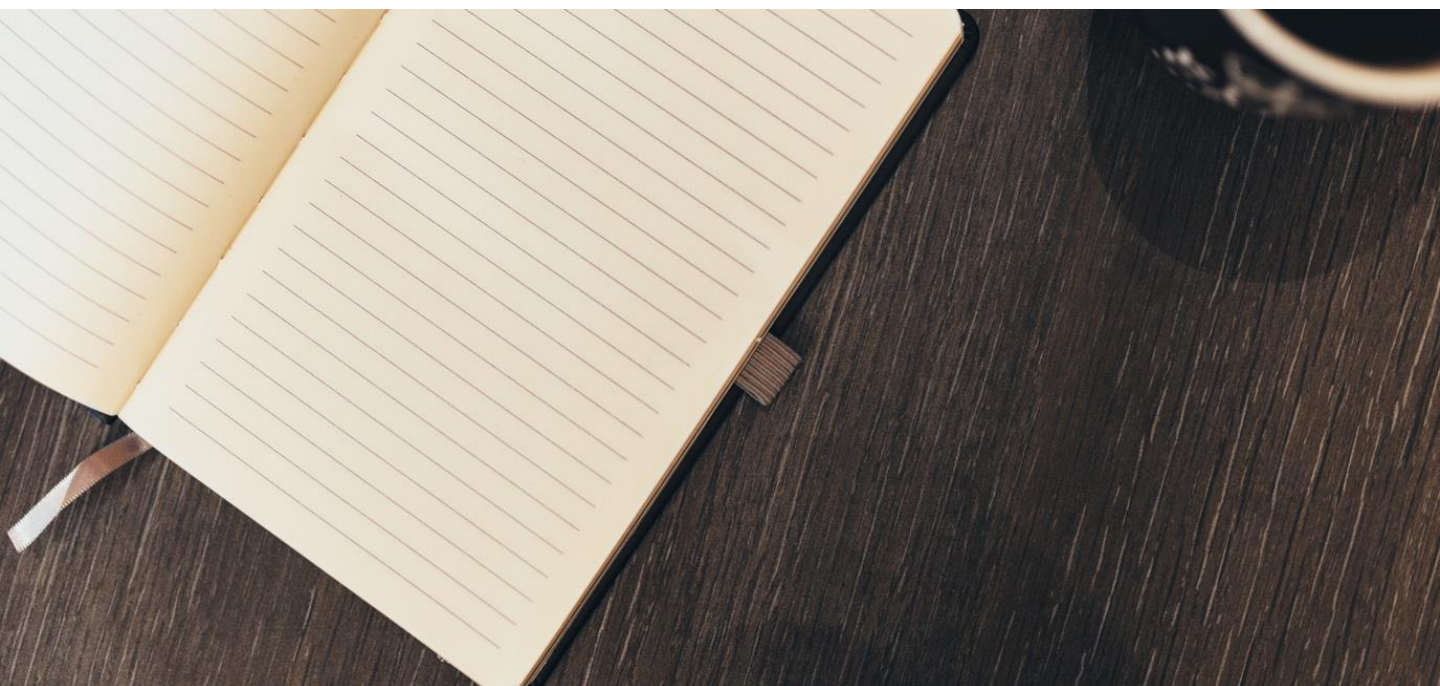
The terms like “climate change”, “global warming”, “climate sceptic” have become euphemisms if the current state of the environment is taken into account. That is why a change of tone and wording coming from the UN officials, scientist and environmental activists could have been noticed lately. Namely, in his recent message given on the World Environment Day, the United Nations secretary general, António Guterres, talked about [“the global climate emergency”](#), adding: “There is no time to lose. This is the battle of our lives. We must win. And we can.” In his previous speeches, he also talked about **“climate crisis”**. The scientist, Richard Betts, who leads the climate research arm of Britain’s meteorological monitoring organisation, [introduced](#) a term **“global heating”** addressing the audience at the UN climate summit in Katowice, Poland: “Global heating is technically more correct because we are talking about changes in the energy balance of the planet”. When it comes to environmental and sustainability activists, the most prominent one is Greta Thunberg, the Swedish teenager who has inspired school strikes for climate around the globe, [said](#): “It’s 2019. Can we all now please stop saying “climate change” and instead call it what it is: climate breakdown, climate crisis, climate emergency, ecological breakdown, ecological crisis and ecological emergency?” In line with the above movement, in their [article last month](#), Guardian declared it is now changing the language it uses about the environment, in order to accurately describe the environmental crises facing the world.

The power of words

Using mild and gentle terms like “climate change” and “global warming” can only provoke passive resistance and not a swift and urgent action since that is the only viable option for the world facing existential threat.

Changing wording and talking about “climate emergency”, “climate crisis” or “climate breakdown” and “global heating” can change behaviours. The subtle influence of language on behaviours can make humans take responsibility and realize that actions to prevent the environmental catastrophe should be taken now. The environmental crisis is not a future problem, it is very much present and cannot be ignored any more.

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