

Sustainable Development Goals: are the SDGs relevant to my business?



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What are the Sustainable Development Goals (SDGs)?

- The SDGs are a universal call to action to **end poverty, protect the planet and ensure that all people enjoy peace and prosperity** by 2030
 - Adopted by all United Nations Member States in 2015
 - Recognise that development must balance social, economic and environmental sustainability
 - The creativity, knowhow, technology and financial resources from all of society is necessary to achieve the SDGs in every context
- Coordinated through the UN Development Programme (UNDP)
- Also known as the UN Global Goals



What are the Sustainable Development Goals?

- **17 goals** form an integrated platform for tackling critical development issues
- Each goal has a number of **targets** attached to it
- Each target has a number of **indicators** to measure in order to show progress towards meeting the target



Goal 12: Responsible Consumption and Production

Ensure sustainable consumption and production patterns

Targets and Indicators (ordered by relevance)

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

Indicators

- 12.5.1 National recycling rate, tons of material recycled

Target 12.4. By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

Indicators

- 12.4.1 Number of parties to international multilateral environmental agreements on hazardous waste, and other chemicals that meet their commitments and obligations in transmitting information as required by each relevant agreement
- 12.4.2 Hazardous waste generated per capita and proportion of hazardous waste treated, by type of treatment

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

Indicators

- 12.6.1 Number of companies publishing sustainability reports

Target 12.b. Develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs and promotes local culture and products

Indicators

- 12.b.1 Number of sustainable tourism strategies or policies and implemented action plans with agreed monitoring and evaluation tools

Target 12.3. By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses

Indicators

- 12.3.1 Global food loss index

What are the Sustainable Development Goals?

- It was 193 governments that agreed to the SDGs and monitoring of the SDGs is a responsibility for national governments
- But private sector companies can play an important and active role as they are the drivers of a large part of the economic activity
- Expectations are high that business will play a key role in helping to achieve the Goals

- In developing countries the private sector accounts for:



10 20 30 40 50 60 70 80 90 100

What are the Sustainable Development Goals?

- Governments cannot achieve the SDGs alone
 - However, they are using them to shape policy
- Private sector innovation, creativity, technological expertise and investment will be essential
- It's a partnership: the private sector needs the public sector to provide an enabling environment so that inclusive and sustainable business can grow and deliver impact
- Businesses can lead the way by starting with the following:
 - Understand the relevance of the SDGs and consider how they can be integrated into business strategy and operations
 - Measure impact and use this to define priorities
 - Report and communicate
 - Share sustainability practices with peers, including measurement and reporting

How can my business engage with SDGs?

- Businesses can engage with SDGs in a variety of ways: from charitable giving to developing an inclusive business strategy where delivering against SDG targets and sustainability are part of the commercial business strategy
- The impact delivered and the commercial benefits grow with the level of engagement

Making use of charity to support the SDGs

Reclassify existing CSR and corporate activities using an SDG Framework

Form communities to align around the SDGs

Be an inclusive business with a focus on commercial operations, the potential for scale and sustainability

Why are the SDGs relevant to my business?

- Sustainable development is not just good for the planet and society; it is good for business
- It makes telling your business's "Impact Story" easier: aligning it with clear goals and making your business more attractive to a wider range of investors
- According to a recent PwC report:

Sustainable business practices improve performance:

evidence shows that companies with higher ratings for environmental, social and governance factors, i.e. strong sustainable business practices, have: (1) **lower costs of debt and equity** – the market recognises they are lower risk and rewards them accordingly; and (2) that they generally **outperform the market** in the medium (three to five years) and long term (five to ten years).

Broad range of wider business benefits:

companies report that sustainability strategies deliver value through **reduced operational, reputational and regulatory risk**; **decreased operating and supply chain costs**; **enhanced product value propositions** attracting greater market share or price premiums; and/or **growth via new markets** or product innovation.

Navigating the SDGs: a business guide to engaging with the UN Global Goals
<https://www.pwc.com/gx/en/sustainability/publications/PwC-sdg-guide.pdf>

Why are the SDGs relevant to my business?

- In a report produced by the United Nations Development Programme and Deloitte, a strong case is made for the relevance of blending impact and commercial concerns:

“Blending purpose with profit can generate a unique competitive advantage well-suited to discerning consumers and investors. Five distinct drivers of financial value compel companies to make both social impact and SDG alignment part of their core business in order to:

- **GENERATE NEW REVENUE** by creating new opportunities for market differentiation and growth
- **RECRUIT AND RETAIN TALENT** by optimizing your work-force;
- **INCREASE SUPPLY CHAIN RESILIENCE** by enhancing supply chain sustainability and operational efficiency;
- **SPAWN INVESTOR INTEREST** by increasing attractiveness to a wider range of investors;
- **ASSURE LICENSE TO OPERATE** by addressing regulatory compliance and managing risks”

Uncharted waters: blending value and values for social impact through the SDGs

[https://www.businesscalltoaction.org/sites/default/files/resources/Unchartered Waters Report BCtA UNDP Deloitte Web 0.pdf](https://www.businesscalltoaction.org/sites/default/files/resources/Unchartered_Waters_Report_BCtA_UNDP_Deloitte_Web_0.pdf)

Which of the SDGs are relevant to my business?

- There are 17 SDGs and many of them interconnect
- It is easy to look at the SDG list and think that your business relates to many of them but it is better to be focused and concentrate on the main one or two. You don't want to be tracking lots of different things
- REMEMBER: if you say you deliver against an SDG, an impact investor will expect you to measure and report regularly on that and expect you to deliver growth
- For some businesses it is easy enough. For example, if you make **nutritious cereal** that is affordable for local families, you clearly are contributing to **Goal 2: no hunger**
- But if you also do this by working with **smallholder farmers** who supply inputs to your business then you can also be contributing to **Goal 8: decent work and economic growth**
- But what if you can't work out what SDG is most appropriate? **Help is at hand!**

Which of the SDGs are relevant to my business?

- The **SDG Wizard** is a great tool to align your business with SDGs:
<https://sdgfunders.org/wizard/>
 - Example 1: a company that recycles plastic bottles collected by women
 - Break the company activity into parts:
 - Recycle plastic
 - Jobs
Women
- Type each part separately into the Wizard
- Results
 - Recycle plastic ⇒ **Goal 12:** responsible consumption and production
 - Jobs ⇒ **Goal 8:** decent work & economic growth
 - Women ⇒ **Goal 5:** gender equality

The image shows two screenshots of the SDG Wizard website. The top screenshot is the input page where the user has entered 'recycle plastic' into a text box. The page title is 'SDG Indicator Wizard' and it includes a navigation bar with 'Who's Funding the SDGs', 'Indicator Wizard', and 'Report:'. Below the input field, there is a 'Sign up for our Newsletter' section with an 'Email Address' input field and a 'Show Results' button. The bottom screenshot shows the results page, which states 'Your work aligns with the following SDG(s)'. It highlights 'Goal 12: Responsible Consumption and Production' with a description: 'Ensure sustainable consumption and production patterns'. There is a button to 'View Relevant Targets and Indicators' and a link to 'View All Targets and Indicators for SDG 12'. The SDG Wizard logo and navigation bar are also visible at the top of this screenshot.

Which of the SDGs are relevant to my business?

- Example 2: a company provides microfinance to owners of small businesses
- Type in the main element into the Wizard:
 - Microfinance
- Results: this gives 3 goals that can apply
 - ⇒ **Goal 1:** no poverty
 - ⇒ **Goal 8:** decent work & economic growth
 - ⇒ **Goal 5:** gender equality
 - Reflecting that many who are accessing microfinance are women looking to establish or fund small businesses

1 NO POVERTY
End poverty in all its forms everywhere
[View Relevant Targets and Indicators](#) ▾
[View All Targets and Indicators for SDG 1](#)

8 DECENT WORK AND ECONOMIC GROWTH
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
[View Relevant Targets and Indicators](#) ▾
[View All Targets and Indicators for SDG 8](#)

5 GENDER EQUALITY
Achieve gender equality and empower all women and girls
[View Relevant Targets and Indicators](#) ▾
[View All Targets and Indicators for SDG 5](#)

How do I use this information?

- Each goal has a series of linked targets
- Each target has associated indicators
- When you plug your in your information, as well as giving you the goal suggested, it will also allow you to view what the Wizard thinks might be relevant targets. **Click the box**
- REMEMBER: the targets and indicators are written from the perspective of governments so you need to adapt a bit but this is what is being measured
- If the targets don't quite make sense for your business, you can look at all the targets and indicators. **Click here**

The screenshot displays the interface for Goal 12: Responsible Consumption and Production. At the top left, there is a logo for Goal 12 with the text '12 RESPONSIBLE CONSUMPTION AND PRODUCTION' and a circular arrow icon. To the right of the logo, the goal title 'Goal 12: Responsible Consumption and Production' is shown in bold, followed by the description 'Ensure sustainable consumption and production patterns'. Below the description is a dark button labeled 'View Relevant Targets and Indicators' with a downward arrow. In the bottom right corner of this section, there is a link 'View All Targets and Indicators for SDG 12'.

The main content area is titled 'Targets and Indicators (ordered by relevance)'. It lists several targets and their associated indicators:

- Target 12.5:** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
Indicators:
 - 12.5.1 National recycling rate, tons of material recycled
- Target 12.4:** By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.
Indicators:
 - 12.4.1 Number of parties to international multilateral environmental agreements on hazardous waste, and other chemicals that meet their commitments and obligations in transmitting information as required by each relevant agreement
 - 12.4.2 Hazardous waste generated per capita and proportion of hazardous waste treated, by type of treatment
- Target 12.6:** Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.
Indicators:
 - 12.6.1 Number of companies publishing sustainability reports
- Target 12.3:** By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.
Indicators:
 - 12.3.1 Global food loss index
- Target 12.b:** Develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs and promotes local culture and products.
Indicators:
 - 12.b.1 Number of sustainable tourism strategies or policies and implemented action plans with agreed monitoring and evaluation tools

At the bottom of the main content area, there is a dark button labeled 'Hide Relevant Targets and Indicators' with an upward arrow. In the bottom right corner of the entire interface, there is a link 'View All Targets and Indicators for SDG 12'.

How do I use this information?

- The targets and indicators will give you good guidance of what you might choose to measure.
- NOTE: you don't need to address all of the indicators. Choose **one or maybe two** that are appropriate and can be tracked
- E.g. Goal 12 targets and indicators for recycling plastic bottles
 - Tracking the tons of plastic recycled (indicator 12.5.1)
 - Adopt sustainable practices and integrate sustainability information into reporting cycle (target 12.6)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Goal 12: Responsible Consumption and Production
Ensure sustainable consumption and production patterns

[View Relevant Targets and Indicators](#) ▾

[View All Targets and Indicators for SDG 12](#)

Targets and Indicators (ordered by relevance)

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

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[Hide Relevant Targets and Indicators](#) ▲

[View All Targets and Indicators for SDG 12](#)

Investors and the SDGs

- As impact investment has grown around the world, investors have been looking for ways to measure impact
- Increasingly, the ecosystem has been focusing on SDGs as representing a global system of thinking about impact around which measurement and tracking can coalesce

“Last year, more than half of impact investors reported tracking some or all of their impact performance against SDGs”

*Abhilash Mudaliar et al., 2018 Annual Impact Investor Survey (New York: The GIIN, 2018),
https://theqiin.org/assets/2018_GIIN_Annual_Impact_Investor_Survey_webfile.pdf*

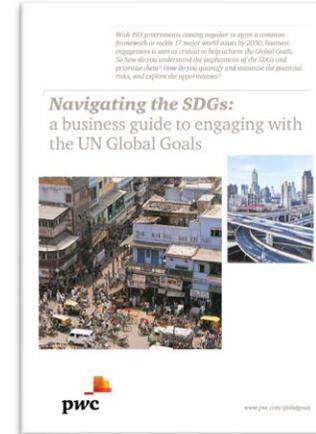
- Even if investors have developed a bespoke system of tracking impact, they will respond positively to systems you have put in place to track your impact based on SDGs

Useful links



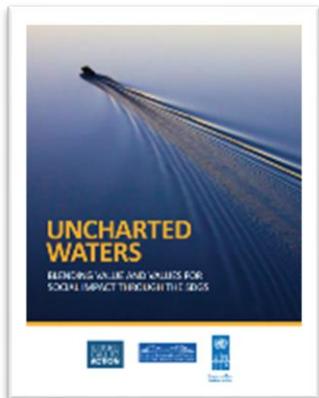
MEASURING IMPACT

https://www.businesscalltoaction.org/sites/default/files/MeasuringImpact_web.pdf



NAVIGATING THE SDGS: A BUSINESS GUIDE TO ENGAGING WITH THE UN GLOBAL GOALS

<https://www.pwc.com/gx/en/sustainability/publications/PwC-sdg-guide.pdf>



UNCHARTED WATERS

[https://www.businesscalltoaction.org/sites/default/files/resources/Uncharted Waters Report BCTA UNDP Deloitte Web 0.pdf](https://www.businesscalltoaction.org/sites/default/files/resources/Uncharted_Waters_Report_BCTA_UNDP_Deloitte_Web_0.pdf)