Core SDG indicators on enterprise reporting: measuring private sector’s contribution to the SDG agenda

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Core SDG indicators on enterprise reporting

• In 2016 UNCTAD through its ISAR standing expert group on enterprise accounting and reporting launched its work on baseline core SDG indicators with a view to improve comparability of sustainability/SDG reporting and its alignment with the SDG macro indicators.

• It resulted in developing Guidance on core SDG indicators (GCI) to assist member States to assess the private sector contribution to the SDG implementation and to enable them to report on SDG 12.6 and indicator 12.6.1 in a consistent and comparable manner.

• The GCI also supports UNCTAD's work on developing the metadata guidance for the SDG 12.6.1 "Number of companies publishing sustainability reports", as a co-custodian with UN Environment.
UNCTAD Approach: From SDGs to Core Indicators for Companies

- Logical framework:

17 Sustainable Development Goals ➔ Framework of SDG targets and indicators ➔ Enterprise indicators

- Example:

SDG 7: Affordable and Clean Energy ➔ 7.2.1: Renewable energy share in the total final energy consumption ➔ B.5.1: Renewable energy as a percentage of total energy consumption during the reporting period

Alignment with macro-level of statistical indicators
Economic area
- Revenue
- Value added (gross value added, GVA)
- Net value added (NVA)
- Taxes and other payments to the Government
- Green investment
- Community investment
- Total expenditures on research and development
- Percentage of local procurement

Social area
- Proportion of women in managerial positions
- Average hours of training per year per employee
- Expenditure on employee training per year/employee
- Employee wages and benefits as a proportion of revenue, with breakdown by employment type and gender
- Expenditures on employee health and safety as a proportion of revenue
- Frequency/Incident rates of occupational injuries
- Percentage of employees covered by collective agreements

Environmental area
- Water recycling and reuse
- Water use efficiency
- Water stress
- Reduction of waste generation
- Waste reused, re-manufactured and recycled
- Hazardous waste
- Greenhouse gas emissions scope 1
- Greenhouse gas emissions scope 2
- Renewable energy etc.

Institutional area
- N. of board meetings and attendance rate
- N. and percentage of female board members
- Board members by age range
- N. of meetings of audit committee and attendance rate
- Total compensation per board member
- Amount of fines paid or payable due to settlements
- Average n. of hours of training on anti-corruption issues, per year per employee

GCI core indicators
Work in progress

- Developing case studies by pilot-testing the core indicators at the country level (i.e. cases of Novonordinsk and statistic Denmark has been already presented at ISAR35; case studies in Russia, Ukraine, Guatemala, Columbia, Kenya etc. are in progress);

- Cooperation with UN Environment and Task Force on finalization and pilot testing of the 12.6.1 metadata methodology, application for reclassification of indicators to Tier II by the end of 2019;

- UN Development Account project on building capacity on the SDG reporting by companies in selected member States;

- Further discussions at the ISAR 36th session in 2019; which will include second edition of ISAR Honors following a successful launch of the initiative at ISAR 35 in 2018 ([https://isar.unctad.org](https://isar.unctad.org))
ISAR Honours Call 2019

• Objective is to raise awareness and facilitate dissemination of national and international best practices on sustainability and SDG reporting by companies

• Nominations for the ISAR Honours can be submitted by an extended deadline of 30 June 2019

SUBMIT YOUR APPLICATION!