THE RECP*NET* WE WANT: ALIGNING THE GLOBAL NETWORK WITH THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT

SYNOPSIS DOCUMENT

UNDERSTANDING THE 2030 AGENDA

The year 2015 established a milestone in the global commitment to sustainable development. After more than two years of extensive stakeholder consultation, a new road-map for sustainable development was launched by the United Nations in late September 2015. The 2030 Agenda for Sustainable Development is a long-term plan to frame political agendas and corporate strategies over the next 15 years.

The primary objective of the Agenda is the eradication of poverty. To achieve this aim, the Agenda includes an unprecedented set of commitments that address a vast array of stakeholders. The way in which those actors will govern, produce, innovate, invest, consume, collaborate and learn will also define and determine the capacity of the global community to deliver and realize the targets agreed upon in 2015.

At the core of the new Agenda are the Sustainable Development Goals (SDGs) with 17 ambitious objectives, accompanied by 169 associated targets and more than 200 indicators, covering the main issues related to economic and social development and environmental protection.

THE ROLE OF STAKEHOLDERS IN THE 2030 AGENDA

The scale and ambition of the new Agenda adopted by the international governmental community require all actors involved to deploy massive behavioral change processes, aimed at the realization of the goals by 2030. The changes are to be enacted by each stakeholder, according to its role in the socio-economic system.

"…governments are expected to take ownership and establish national frameworks for the achievement of the 17 Goals. Countries have the primary responsibility for follow-up and review of the progress made in implementing the Goals, which will require quality, accessible and timely data collection. Regional follow-up and review will be based on national-level analyses and contribute to follow-up and review at the global level." The 2030 Agenda for Sustainable Development (UN, 2015)

The role of stakeholders

Stakeholder	Role
National Governments	Providing policy support, legal frameworks and financial resources for translating the Agenda goals into action
Regional & Local Governments	Working with local stakeholders to generate, promote and fund initiatives contributing to the realization of the Agenda's goals within the policy frameworks established by their respective national governments
Civil Society and NGOs	Raising the issues at stake with regards to sustainability, generating novel ideas, and playing a "checks and balance" role in processes and initiatives
International organizations	Promoting international cooperation and developing policy recommendations for guidance on the SDGs' implementation. Assessing progress of current implementation efforts
Business Organizations	In addition to its role as corporate citizens (taxes, job creation, investment and funding initiatives), business plays a central role in the 2030 Agenda by sharing its resources and capabilities necessary for innovative solutions to the challenges posed by the SDGs. Furthermore, its capacity to imagine and implement new and more sustainable business models will generate the fundamental changes in behavior necessary to achieve most of the SDGs (see below).
Academia/Research	Identifying problems and solutions, providing the scientific evidence and the bases for implementation models grounded in scientific assumptions and innovation

A critical aspect of the 2030 Agenda is the emphasis on measurement and accountability, designed to ensure the necessary follow-up and progress review at the national level. A solid framework of indicators and statistical data will be essential to inform policy changes and ensure the accountability of all stakeholders.

"Targets are defined as aspirational and global, with each government setting its own national targets guided by the global level of ambition but taking into account national circumstances. Each government will also decide how these aspirational and global targets should be incorporated in national planning processes, policies and strategies."

The 2030 Agenda for Sustainable Development (UN, 2015)

National governments that commit to the 2030 Agenda accept to "fully engage in conducting regular and inclusive reviews of progress at sub-national, national, regional and global levels." This will imply a major effort from government and national statistical offices in developing the requirements and collecting the necessary data on a regular basis. With this, the private sector as the primary source of data, will be required to put major efforts into organizing operations and control systems so that the information can be provided to government agencies.

The business sector, "ranging from microenterprises to cooperatives to multinationals," is expected to play a pivotal role in achieving the Agenda's goals. Its role goes way beyond the provision of financial support; it requires the business sector to leverage business skills to actively contribute to the joint reshaping of the development agenda, and with that alter the evolutionary path of the global community, by being an active source of innovative solutions in tackling sustainable development challenges.

> "Private business activity, investment and innovation are major drivers of productivity, inclusive economic growth and job creation…… We call on all businesses to apply their creativity and innovation to solving sustainable development challenges. We will foster a dynamic and well-functioning business sector, while protecting labour rights and environmental and health standards in accordance with relevant international standards and agreements.."
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> **The 2030 Agenda for Sustainable Development (UN, 2015)**

Not all of the SDGs may be relevant for every company, and their salience may vary across sectors of business activity, but there is a strong business case for companies to contribute to the realization of the Agenda. To this end, recent research and academic literature show that companies investing in integrating environmental and social sustainability goals with their standard economic sustainability agenda benefit from significant long-term economic and financial advantages compared to their competitors that decide to avoid or delay those investments. Hence, the realization of SDGs can be framed as an investment in the strengthening of the demand, as well as the improvement of the "rules of the game" with which economic activity is conducted.

HOW TO FURTHER ALIGN BUSINESS INTERESTS WITH THE SDGS

Business could play a leading role vis-à-vis other institutions in the socio-economic system, particularly **SDGs #8 on decent work and economic growth**; **#9 on industry, innovation and infrastructure**, and **#12 on sustainable (consumption and) production**. Below, we highlight the goals where business could be or is already a leading actor, outlining the actions that can be taken to realize these goals. The report details the additional facilitative and enabling roles that business could assume towards the attainment of other Goals.

Business as a leading actor in helping to attain the SDGs

Targets where business can take a lead	Actions
8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation.	- Redesign of company's competitive strategy and operations; - Careful and coherent investments in R&D
8.4 Improve global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation.	- Improve the environmental performance of plants; - Creation of self-regulation mechanisms in anticipation of increased stringency of regulations and enforcement.
9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing research and development.	- Promote PPP towards the creation of resilient research facilities, helping to develop industry/territory specific knowledge, innovation and research; - Revise hiring policies and career paths for managerial positions in order to nurture diverse talent.
12.1 Implement the 10-Year Framework of programmes on sustainable consumption and production with all countries taking action.	-Compliance with regulations imposed by the new sustainable consumption and production plan; -Direct involvement in the creation of frameworks by companies with multinational operations and supply chains.
12.2 By 2030, achieve the sustainable management and efficient use of natural resources	- Adapt production & make preparations to implement closed cycles where possible; - Constantly check and revise production activities and processes to align with industry best practice (i.e. monitoring systems and gap reduction information management); - Improve research on resource efficiency; - Switch to more sustainable production systems and processes;
12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks	- Implement integrated policies, encouraging/enforcing the development of information systems on waste management; - Adapt to and comply with increasingly stricter regulations and policies relating to waste management and air pollution; - Anticipate increases in stringency of rules on WM and AP.
12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	- Implement closed loop innovation (enhance production efficiency and waste minimization through the optimization of production processes).
12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	- React to external pressure for more sustainable practices and internal policies; - Anticipate external pressures by adopting self-regulatory mechanisms and enforcement procedures. i.e. integrate reporting systems; incentive systems for managers and executives based also on non-financial performance.

The new Agenda will broaden the sphere of business action, but also calls for increased efforts in a number of areas:

- **Accountability and transparency:** Companies are expected to significantly enhance the degree of transparency and accountability in their communication with financial and non-financial stakeholders.
- **Integrated control and reporting systems**: This challenge focuses on the "upstream" processes to encourage transparent and accountable communication, and the adaptation of the whole accounting and control systems supporting business activities, including those of strategic relevance.
- **Integrated, systemic, thinking**: A connected challenge revolves around the adaptation of managerial mindsets related to integrative and systemic business logics, where environmental and social impact goals are considered a normal part of the strategic objectives and the operating activities of any manager.
- **Inclusive governance**: Another major challenge consists in the opening up of governance rules and structures to allow the representation of interests by key stakeholders, including eventual participation on the board of directors as well as in some of the strategic committees (i.e. planning, investments, etc.).
- **Sustainable operations and inclusive value chains**: Companies are expected to intervene across all of their core activities, including internal production and logistic processes, as well as supply-chain and distribution/sales channels, to reduce their environmental footprint and enhance their positive impact in the areas in which they operate.
- **Multi-stakeholder partnerships**: Businesses need to learn how to collaborate with competitors, stakeholders, NGOs and institutions to solve "tragedies of commons" problems related to the shared exploitation of valuable, non-renewable, assets.
- **Capabilities and Resources:** Business organizations are expected to share their competencies and resources (incuding financial ones) to contribute to the solution of systemic problems that also affect their long-term survival and profitability.

Taken together, it requires the validation and diffusion of new business models and emboldened leadership that aligns with the vision and the values expressed in the new sustainable development agenda.

RECP*NET* AND THE 2030 AGENDA

The Network for Resource Efficient and Cleaner Production (RECP*net*) jointly created by UNEP and UNIDO, brings together over 70 providers of specialized advisory services to companies and institutions in 60 countries. In its mission of facilitating North-South, South-South and South-North-South collaborations, the RECP*net* disseminates relevant knowledge and innovative technologies, promotes best practices and real experiences to emerging economies for supporting the advancement of environmentally sustainable growth.

Within its overarching mission, RECP*net* members have positioned themselves to an increasing extent as facilitators between business and public institutions, for which they often serve as partners or consultants on matters related to cleaner production and sustainable consumption. Through this, the Network is already acting as an important ally of the 2030 Agenda, helping to translate and optimize the SDGs' targets and indicators into relevant business metrics and supportive initiatives.

The current activities performed by the members of the Network have already positioned it as a strong actor in a significant number of the SDGs of the new Agenda, with the Network's core competencies most closely aligned to those goals and targets that underpin business activity. The figure below outlines the goals currently being addressed by, or those which are closely related to the core activities and expertise of the Network, or those already being implemented by a select group of network members.

Agenda 2030 Goals (by targets) within RECPnet main competencies
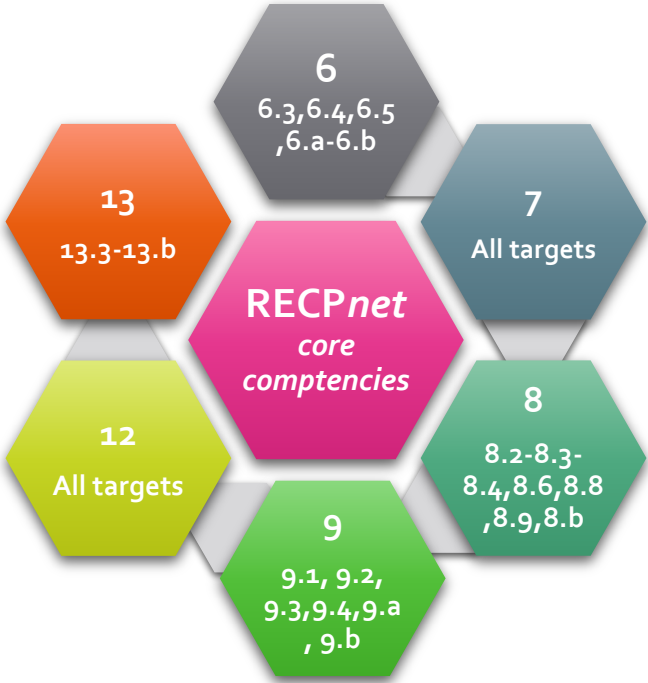
Goal 6 aims to ensure access to water and sanitation for all by 2030

Clean water for drinking and domestic use has long been a major challenge in developing countries, mainly due to a lack of sufficient resources to create the sanitation and delivery infrastructures required for domestic use. In addition, the climatic conditions of many poor countries, where fresh water sources are scarce, exacerbate the problem. In this context, RECP*net* members provide capacity-building, design and supervision support for water-related projects, and advice on international cooperation for funding and transfer of recycling technologies, wastewater treatment, water efficiency, desalination and water harvesting processes.

Goal 7 aims to ensure access to affordable, reliable, sustainable and modern energy for all

Sustainable energy is an essential component of almost all of the other goals in the Agenda, from eradicating poverty to fighting climate change. The RECP*net* is active in facilitating and accelerating the diffusion of renewable energy within the menu of energy sources utilized by developing countries, and works extensively for energy efficiency improvements, both at the technical and policy levels.

Goal 8 aims at promoting balanced and inclusive economic growth

The composition of this Goal takes up two of the fundamental competencies of RECP*net*:

1. The development and diffusion of sustainability-related processes and technologies; &
2. The improvement of human resource management practices.

Leveraging on its positioning as a service provider for corporations – helping SMEs in developing countries in particular-and counselor for public institutions, RECP*net* can tackle this Goal by offering bottom-up support for policy building to local and regional governments.

To this end, RECP*net* can also be:

- A technical assistance provider;
- A promoter to enhance public awareness;
- A funding facilitator–providing help to companies and local institutions to upscale innovation and practice diffusion; &
- An advocate for Goal 8 targets within national institutions.

Goal 9 aims to build resilient infrastructures, promoting inclusive and sustainable industrialization and innovation

RECP*net* is already promoting inclusive and sustainable industrialization, transferring related expertise via training, and assisting companies in building core capacities and developing sustainability-related innovations. In its various components, the Network is also developing approaches on how to address SMEs' specific sustainability requirements. More broadly, several local members are learning to identify and leverage multiplication effects in industry-level resource efficiency.

Goal 12 aims to encourage sustainable consumption and production patterns

All the 11 targets that make up this Goal lie within the core competencies of RECP*net*, particularly through the provision of support for initiatives in the private and public sectors. In addition to their service provider and advisory roles, RECP*net* members can enable the realization of Goal 12 targets (see ANNEX III for a detailed list) via their relatively unique position within the economic and political ecosystem in their own country. In addition, members' partnership with UNEP and UNIDO provides a continual flow of information and opportunities for liaising with other members for mutually beneficial exchanges of experience.

Goal 13 on taking action to combat climate change and its impacts

The RECP*net* could contribute to two specific targets within Goal 13; namely, 13.3 and 13.b. On the one hand, the network could leverage its proven training skills related to the reduction of production and consumption impacts on climate-related metrics, such as GHG emissions. On the other hand, the capabilities and expertise developed by working in developing countries and at different institutional levels, could be particularly useful in tackling the policy-making and business decision-making challenges related to addressing climate change.

Implementation structure and processes for the 2030 Agenda
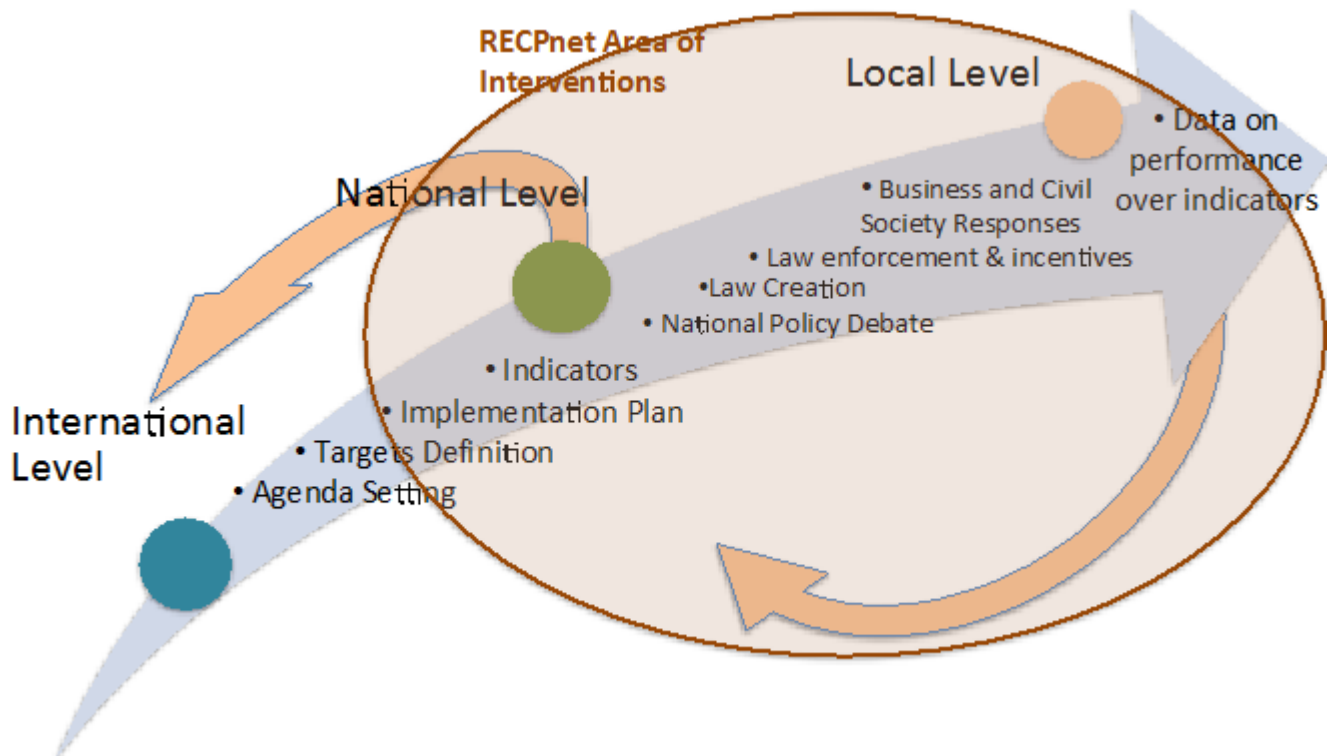
The figure above highlights the (potentially vast) area of contribution for RECP*net* members in the implementation process towards attaining the SDGs. Since each member of the RECP*net* is endowed with strong ties to both local businesses and national/local government, they could all potentially act as a "transmission chain" between the two parts of the system. This involvement could entail:

➢ Supporting the translation of national SDG frameworks into guidelines and advice for public and private organizations at the local level;

➢ Playing a pivotal role in the auditing and data gathering phases; &

➢ Facilitating the translation of policy objectives and targets into business-relevant objectives and vice-versa.

In addition, RECP*net* members could support their national government in delivering on their commitments towards the 2030 Agenda in a number of important ways by:

➢ Partnering with national governments, businesses, NGOs and civil society representatives in broader forms of Private-Public-Plural (inclusive of civil society) Partnerships designed for advocacy and awareness building activities on the 2030 Agenda;

➢ Building awareness in clients' companies of the opportunities for growth and competitiveness tied to rapid positioning on selected sustainability issues and SDGs; and

➢ Supporting local governments to link the Agenda to local issues, thus making it relevant for local stakeholders and strengthening their motivation for sustainability-related behavioral change.