

## Batumi Initiative on Green Economy (BIG-E)

Actions by the Group of Friends of Paragraph 47, United Nations Environment Programme (UNEP), Global Reporting Initiative (GRI)

### *Organization:*

Members are Governments of Argentina, Austria, Brazil, Chile, Colombia, Denmark, France, Norway, South Africa, Switzerland

Secretariat: United Nations Environment Programme (UNEP), Global Reporting Initiative (GRI)

### *Title of the action:*

**Group of Friends of Paragraph 47 (GoF47) of the Rio+20 Outcome Document on Corporate Sustainability Reporting**

*Focus area 2, 5:* Enhance internalization of externalities that cause loss or damage to natural capital, Develop clean physical capital for sustainable production patterns

**Description of the action:** The Group of Friends of Paragraph 47 (GoF47) is a government-led initiative formed in 2012. It brings together 10 governments<sup>1</sup> which share the belief that corporate transparency and accountability are key elements of a well-functioning market economy that substantially enhance the private sector's contribution to sustainable development. Sustainability reporting can be a key tool to measure corporate performance on natural, social and other forms of capital, to promote corporate accountability, and finally to drive behavioral change. The GoF47 believes that governments have a primary role to play in this agenda by promoting corporate sustainability reporting globally and working with all relevant stakeholders. UNEP and the Global Reporting Initiative (GRI) support the Group in a Secretariat capacity. The GoF47's main objectives and activities are:

- **Promote the exchange of best practice models for policy and guidance, fostering a process of continuous learning**

Research on legal, regulatory and other policy instruments that enhance disclosure of sustainability information by public and private organizations. The GoF47 conducts comparative policy assessments and evaluations across policies' lifecycles - from political context and drivers prior to the development of the policy, to its specific requirements, implementation, enforcement and their actual effectiveness.

The GoF47 hereby provides a platform for peer-to-peer learning, regardless of the Member countries' region or levels of economic development.

- Now available: *'Evaluating National Policies on Corporate Sustainability Reporting'*
- A new publication *'Sustainability Reporting in the Financial Sector: A Governmental Approach'* will be released in summer 2016.

- **Maintain and promote the sustainability reporting agenda within intergovernmental discussions**

The GoF47 provides a flexible communication and coordination mechanism for governments.

- In the context of the 2030 Agenda for Sustainable Development, Member Governments have promoted and secured the inclusion of SDG target 12.6 on sustainable business practices and reporting, and have contributed to its corresponding indicator 12.6.1.

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<sup>1</sup> GoF47 Membership as of June 2016 : Government of Argentina, Austria, Brazil, Chile, Colombia, Denmark, France, Norway, South Africa, Switzerland

- GoF47 Member Governments participate in a number of relevant national, regional and international events in view of maintaining an on-going dialogue with experts and practitioners from other governments, the private sector, academia, civil society and international organizations.
- **Engage with strategic stakeholders, recognizing that the promotion of sustainability reporting is a multi-stakeholder effort**
  - The GoF47 is an observer in the International Integrated Reporting Council.
  - A number of GoF47 Governments have engaged in UNEP's and UNCTAD's on-going work on determining global, cross-sector indicators for corporate sustainability reporting that connect corporate reporting with the SDG global indicator framework. The outcomes of this work stream will be presented as an Issues Note at the 33<sup>rd</sup> session of ISAR. The goals of this work stream are to enhance comparability of current reporting approaches and methodologies, to allow for better alignment of corporate activities with the SDGs and to facilitate governments' task of SDG follow-up and review.
- **Increase the number of governments promoting sustainability reporting**

All the above actions aim at increasing the number of governments taking action to promote sustainability reporting, through legislative and regulatory instruments, as well as 'softer' instruments such as recognition of best performers through sustainability indexes and awards. It is expected that governmental engagement in this area will increase the number of organizations reporting globally and will enhance the quality of disclosed information in order for sustainability reporting to become a true tool to support decision-making.

**Reference:** Green Economy Strategic Framework:  
Objective I. Reduced environmental risks and ecological scarcities  
Objective II. Enhanced economic progress

**Time frame/milestones, for the action, as appropriate:** On-going process. Specific activities:

- July 2016: Publication of 'Sustainability Reporting in the Financial Sector: A Governmental Approach'
- October 2016: Presentation of Issues Note at the 33<sup>rd</sup> session of ISAR

**Type of action:** Information, education-based, capacity-building and voluntary instruments

**Economic sectors:** Economy-wide

**Reference instruments and sources:**  
[www.unep.org/GoFParagraph47](http://www.unep.org/GoFParagraph47)

**Expected co-benefits and impact of the outcome:**

- Enhanced governmental understanding on how to promote corporate disclosure of sustainability information
- Increased number of governments promoting sustainability reporting
- Connect business performance indicators with the SDG global indicator framework to facilitate governmental SDG follow-up and review of progress with company-level data.

**SDGs target(s) that the action may contribute to implement:** 12.6

***Objectively verifiable indicators, as appropriate:*** Number of governments promoting sustainability reporting

***Partners:*** UNCTAD, IIRC

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