



Light course for policymakers and trainers

IMPLEMENTATION OF CORE SDG INDICATORS FOR SUSTAINABILITY REPORTING BY COMPANIES

STRENGTHENING POLICY SUPPORT
FOR SDG REPORTING BY ENTITIES





About the Course

The United Nations Conference on Trade and Development (UNCTAD) and ISAR – an intergovernmental body of experts on International Standards of Accounting and Reporting – have been working towards practical tools to help countries measure the contribution of the private sector to sustainable development.

After the adoption of the 2030 Agenda, UNCTAD developed indicators on the contribution of companies to the Sustainable Development Goals (SDGs) to enable the harmonization, comparability, and benchmarking of enterprise reporting. The core indicators are applicable to all companies regardless of their size or industry.

To facilitate implementation, UNCTAD issued guidance on the core indicators (GCI). One objective of GCI is to provide practical information on the measurement of universal and core SDG indicators in economic, environmental, social, and institutional areas. The GCI is intended to assist entities in providing data on sustainability issues in a consistent and comparable manner. It can also strengthen companies' expertise and capacity for sustainability reporting in general. The GCI further provides support to Governments for the assessment of the contribution of the private sector to the SDGs, enabling them to report on SDG indicator 12.6.1.

To support dissemination and capacity building, UNCTAD developed a GCI training manual. It is aimed at users in entities of all sizes, with a specific emphasis on preparers of reports in Small and Medium-Sized Enterprises (SMEs), which tend to lag behind in sustainability reporting. The manual builds on the GCI and provides detailed explanations on each indicator, including definitions, measurement methodologies and potential sources of information. It provides illustrative and numerical examples of indicator calculations, as well as examples of how these indicators have been disclosed by other companies around the world.

In addition to developing the content of the GCI and the training manual, UNCTAD tested the applicability of the core indicators in more than 20 company case studies in different countries and industries. One of the main challenges identified was the lack of technical capacity to measure and disclose the core SDG indicators. Accordingly, to further promote the uptake of the GCI training manual by companies, UNCTAD joined efforts with the United Nations Institute for Training and Research (UNITAR) to develop an e-learning course on the application of the GCI.



Course objectives

This e-learning course first and foremost aims to prepare trainers and facilitators for capacity building activities to support the implementation of the core indicators in companies. It is also meant to inform policymakers on the core indicators of the contribution of firms to the SDGs, to enable them to monitor progress on the SDGs at country level.

At the end of the course, participants will be able to:

- Understand the concept and application of universal and core SDG indicators in the economic, environmental, social, and institutional areas for sustainability or SDG reporting.
- Understand the methods for calculation and reporting on the universal and core SDG indicators.
- Advise on sources of information to calculate UNCTAD's core SDG indicators in companies.



Course Modules



Module 1 UNDERLYING PRINCIPLES OF CORE SDG INDICATORS SELECTION AND REPORTING

- Introduction to the course:
Rational and objective
- Key methodological points
- Selection criteria
- Reporting principles
- Underlying accounting data



Module 2 ECONOMIC AREA

- Revenue and/or (net) value added
- Payments to the Government
- New investment/expenditures
- Local supplier/purchasing programmes



Module 3 ENVIRONMENTAL AREA

- Sustainable use of water
- Waste management
- Greenhouse gas emissions (scope 1 and 2)
- Ozone – depleting substances and chemicals
- Energy consumption



Module 4 SOCIAL AREA

- Gender equality
- Human capital
- Employee health and safety
- Coverage by collective agreements



Module 5 INSTITUTIONAL AREA

- Corporate governance disclosure
- Anti-corruption practices



Methodology

The course is based on UNCTAD indicators on the contribution of companies to the Sustainable Development Goals (SDGs) and UNITAR's adult learning pedagogical principles. Each module includes readings, self-assessment activities, and quizzes, for a total period of 5 weeks. The learning activities are distributed in a way to ensure the achievement of the learning objectives in a flexible manner.

For each indicator in modules 2 through 5 a definition, measurement methodology and potential sources of information are provided.



Participant profile

The course is designed for supporting policymakers and trainers from developed and developing countries, and transition economies.



Certification

A certificate of completion will be issued to participants who achieve a minimum total score of 70% in the average grade. A certificate of participation will be issued to participants who complete all mandatory activities but achieve a final score inferior to 70% in the average grade.



Module 1

UNDERLYING PRINCIPLES OF CORE SDG INDICATORS SELECTION AND REPORTING

Learning objectives: Underlying principles of core SDG indicators selection and reporting.

At the end of the module, participants will be able to:

- ✓ Understand the reason for selection of the core indicators
- ✓ Be familiar with the selection criteria for the indicators
- ✓ Understand the reporting principles linked to the core SDG indicators

1.1 Key Methodological Points

- Alignment between the micro- and macro-level indicators

1.2 Selection Criteria

- Criteria considered to select the core indicators

1.3 Reporting Principles

- Reporting principles that ensure the coherence of financial and non-financial reporting models as well as allow for the consistent integration of sustainability information into company reporting cycles

1.4 Underlying Accounting data

- Data collection recorded at a disaggregated level and its consolidation into various forms according to different needs





Module 2

ECONOMIC AREA

Learning objectives:

At the end of the module, participants will be able to:

- ✓ Define the following core indicators in the economic area: Revenue; Value added; Net value added; Taxes and other payments to the Government; Green investment; Community investment, Total expenditures on research and development; and Percentage of local procurement
- ✓ Be familiar with existing potential sources of information to calculate economic indicators in your company and understand the methods for calculation and reporting
- ✓ Understand if your information systems already collect the information required to calculate economic indicators

2.1 Revenue and/or (net) value added

- Definition and measurement methodology of revenue
- Definition and quantification of value-added

2.2 Payments to the Government

- Definition and measurement methodology of payments to the government

2.3 New investment/expenditures

- Definition and measurement methodology of green investment
- Definition and measurement methodology of community investment

2.4 Local supplier/purchasing programs

- Determining the extent of an entity's linkage with the local economy via the analysis of figures



Module 3

ENVIRONMENTAL AREA

Learning objectives:

At the end of the module, participants will be able to:

- ✓ Define and measure the following core indicators in the 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); Ozone-depleting substances and chemicals; Renewable energy, Energy efficiency
- ✓ Be familiar with existing potential sources of information to calculate environmental indicators in your company and understand the methods for calculation and reporting
- ✓ Understand how to design a system to collect the information that is required to calculate environmental indicators

3.1 Sustainable use of water

- Definition and calculation of water recycling, water reuse, use efficiency and water stress
- Linkage between the core indicators and the SDG goals

3.2. Waste management

- Definition and measurement methodology of waste
- Defining factors of hazardous waste
- The impact and measurement methodology of the reuse, remanufacturing and recycling of waste, on waste output
- Linkage between the core indicators and the SDG goals

3.3. Greenhouse gas emissions (scope 1 and 2)

- Differences between definitions and measurement methodologies of direct and indirect greenhouse gas emissions

3.4 Ozone-depleting substances and chemicals

- Definition of ozone-depleting substances (ODS)
- Quantification of an entity's dependency on ozone-depleting substances
- Linkage between the core indicators and the SDG goals

3.5 Energy consumption

- Quantification of the ration of an entity's consumption of renewable energy to its total energy
- Definition and measurement methodology of energy efficiency





Module 4

SOCIAL AREA

Learning objectives:

At the end of the module, participants will be able to:

- ✓ Define the following core indicators in the social area: Proportion of women in managerial positions; Average hours of training per year per employee; Expenditure on employee training per year per employee; Employee wages and benefits, by employment type and gender; Expenditures on employee health and safety; Frequency/incident rates of occupational injuries; Percentage of employees covered by collective agreements.
- ✓ Be familiar with existing potential sources of information to calculate social indicators in your company and understand the methods for calculation and reporting
- ✓ Understand how to design a system to collect the information that is required to calculate social indicators

4.1 Gender Equality

- Definition of a managerial position and measurement methodology of the proportion of women in managerial positions
- Linkage between the prevalence of women in managerial roles and the SDG goals

4.2 Human capital

- Method of analyzing human capital via the scale of an entity's investment in employee training (financially and time wise)
- Calculation of employee wages and benefits as a proportion of revenue

4.3 Employee health and safety

- Calculation of the total expenses incurred by an entity to guarantee employee's health and safety as proportion of total revenue and the relation of this figure to corporate responsibility
- Quantification of the ability of an entity to build a healthy, safe and productive work environment
- Calculation of total expenses incurred on health and safety

4.4 Coverage by collective agreements

- Defining collective bargaining and collective agreement
- Calculation of the ratio of employees covered by collective agreements





Module 5

INSTITUTIONAL AREA

Learning objectives:

At the end of the module, participants will be able to:

- ✓ Define the following core indicators in the institutional area: Number of Board meetings and attendance rate; Number and percentage of female board members; Board members by age range Number of meetings of audit committee and attendance rate, Compensation: total compensation per board member (both executive and non- executive directors), the amount of fines paid or payable due to settlements, Average hours of training on anti- corruption issues per year per employee
- ✓ Be familiar with existing potential sources of information to calculate institutional indicators in your company and understand the methods for calculation and reporting
- ✓ Understand how to design a system to collect the information that is required to calculate institutional indicators

5.1 Corporate governance disclosure

- Discerning which indicators for corporate governance disclosure are most applicable within the context of the SDGs

5.2 Anti-corruption practices

- Defining the boundaries of what constitutes corruption
- Determining to what extent is an entity investing in anti-corruption training for employees





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