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The clock is ticking for achieving Sustainable Development Goals

Op-ed | Jan Peter Balkenende and Jan-Willem Scheijgrond

Businesses are working towards the United Nations' seventeen Sustainable Development Goals. This is clearly shown by a progress report by Global Compact Network Netherlands, presented today at the Erasmus University in Rotterdam. Close to 90% of its members are aware of the importance of the goals and communicates about them, an increase of 21% compared to a year before.

In spite of this wonderful news, we would like to issue a warning at this point. We have a mere 4036 days left to achieve the Development Goals. It will then be 2030, the UN's target year to which almost every country in the world has committed itself.

The Sustainable Development Goals, or SDGs for short, can still be achieved, but only if progress is made in three important areas. First, breakthrough innovations are needed to enable major transitions, such as those towards a circular economy. These innovations must furthermore be scaled up worldwide at a faster pace, through partnerships. Second, we need better insight into the impact of businesses on the SDGs. The third requirement is for the SDGs to enter the curricula of all educational institutions.

We will briefly explain each of the three points. First of all, the demand for sustainable products and services is growing too slowly to cause a timely transition towards a circular economy and a fossil-free energy supply.

Businesses could boost that demand. One example is the founding of a consortium to purchase green energy by AkzoNobel, DSM, Philips and Google. They jointly invested in the Zeeuwse Bouwdokken wind farm and are currently receiving cheaper green power because of their guaranteed purchase.

This demand can also be increased through collaboration between the links in the value chain. Ikea, for instance, announced its intention to be circular from 2030 onwards. This implies demand for circular paint, which is what AkzoNobel is aiming for, for instance. Collaborations allow businesses to jointly determine what is feasible and profitable, and by when. Sustainable market demand requires many more partnerships such as these.

Second: measure to manage. Though plenty of major businesses are currently charting their contributions towards achieving the SDGs, every company is doing so in its own way. For smaller businesses, this kind of reporting is still too complicated and taxing.

Meanwhile, investors and credit providers are increasingly searching for sustainable projects. Supply and demand are more likely to align in the financial markets when businesses are able to make their sustainability accomplishments clearly tangible: focused on the long term, subject to verification and validation.

That is why the SDGs need to be integrated into businesses' strategy and existing internal management reporting. That reporting is precisely what helps businesses mobilize towards transforming their portfolio and towards new, sustainable business models.

Entrepreneurs are able to link internal goals to external development goals and translate these into measurable accomplishments, but they need industry-specific key indicators and tools. The Statistics Netherlands might be able to help here. It is preparing national statistics across the almost 170 indicators of the seventeen SDGs. The recently launched guide for businesses, SDG reporting, from the UN Global Compact and the Global Reporting Initiative, can also serve as a useful tool.

The final requirement for achieving the SDGs is to ensure that they become an integral part of all education programs, from elementary schools all the way up to universities. Today's young people will be able to keep the SDGs in the back of their minds once they enter the workforce. We can already see colleges and universities taking a joint approach on this. It is important for all educational institutions to participate and understand the necessity of acceleration.

We are well aware that these challenges require high-quality and large-scale creative solutions. In light of the urgency of the Sustainable Development Goals, it is important that we accelerate the process. Businesses can and must take the lead in this, collaborating with partners in their value chains. This is good for the planet, for the global economy and for society. On top of that, it benefits the businesses' own continuity, because 'business for good is good business'.

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