

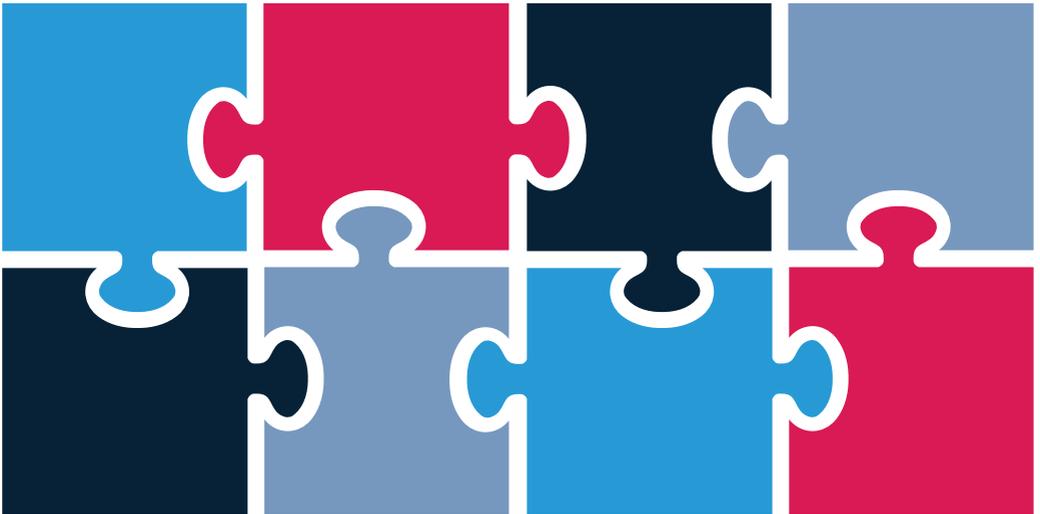


International
Trade
Centre

TRADE IMPACT
FOR GOOD

Sustainable Business and Institutional Support Guidelines

Improve Your Impact in 8 Steps



What is a sustainable business?

A sustainable business is one that generates profits while improving societal and environmental conditions, whether through processes (operations) or outcomes (products). It's also a business that will be resilient and thrive in the long term.

There are **environmental, social and financial benefits** to leading sustainable business:

- **It improves performance:**
Companies with good environmental and social performance tend to outperform companies with lower levels of environmental and social performances by 210 basis points on return on equity and by 110 points on return on assets (IFC 2015).
- **It helps attract & retain staff:**
By investing in environmental measures and adhering to fair working practices, companies improve their employees' motivation and performance.
- **It reinforces stakeholder relations:**
The implementation of sustainable business practices results in ongoing interactions outside the company thus strengthening its relationships with stakeholders.
- **It increases brand value and reputation:**
The key purchasing driver for more than 40 percent of 30,000 consumers from 60 countries is the commitment of the company to the environment and social values (Nielsen, 2015).

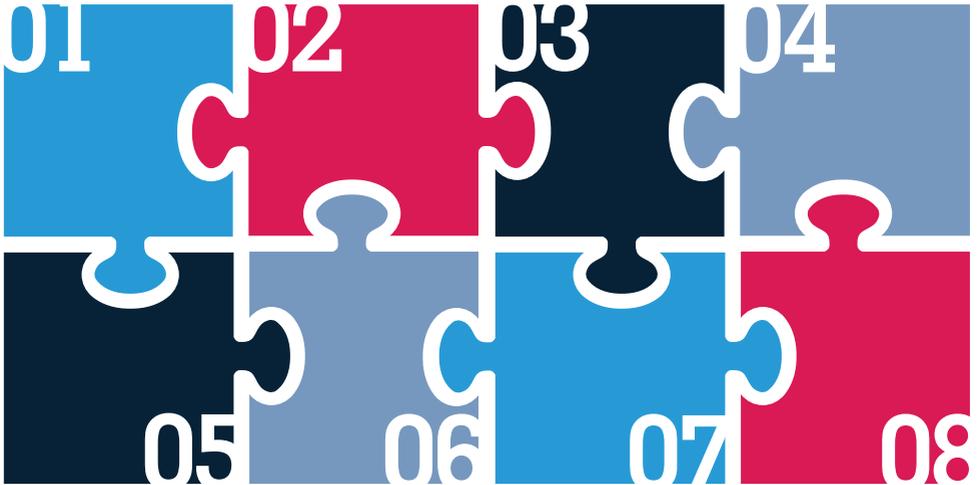
Sustainable business and institutional support

A sustainable business, or a green business, has a positive impact on the global or local environment, community, society, and economy. In other words, it is a business that strives to operate on a triple bottom line basis, tracking its performance along financial, social and environmental dimensions.

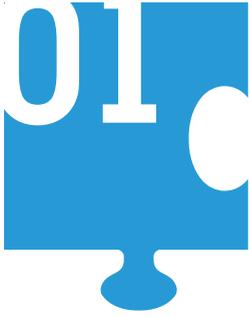
Trade for Sustainable Development (T4SD) is an ITC programme that helps businesses, regardless of their position in the value chain, chart their path to more sustainable trade by better understanding the sustainability initiatives landscape and to connect with business partners.

T4SD provides these Sustainable Business and Institutional Support Guidelines to institutions that want to help businesses understand and implement sustainable practices. T4SD offers a set of sustainability tools, services and solutions designed for SMEs. To follow this process, the institution can host, implement and nurture an ITC T4SD Hub.

8 Sustainable Business Guidelines or Practices



- 01 Build awareness in the community
- 02 Commit to becoming a sustainable role model and expert
- 03 Understand beneficiaries' specific needs
- 04 Collect business data on sustainability
- 05 Assess whether the institutions' solutions are conducive to a sustainable economy
- 06 Build a supportive ecosystem for sustainable businesses
- 07 Inspire a "virtuous circle" of sustainability
- 08 Become a Trade for Sustainable Development (T4SD) champion



Build awareness in the community

It is best to start by ensuring that there is awareness around sustainable businesses practices among institutional staff and the SME community in general. This starts with training staff on topics related to sustainability, sustainability norms and practices, sustainable market analysis tools, climate change and the circular economy. There are many useful resources available online, as well as national and local agencies that provide information, such as statistics or resource materials.

A key part of the process is to clarify intentions behind this new commitment. Engaging institutional staff and the SME community in defining what sustainable practices mean – and why they are good for business – will help build company-wide awareness and support. To help you get started, T4SD and other organizations provide some resources in the annex.



Commit to becoming a sustainable role model and expert

It is crucial that the leaders be fully on board with the new sustainability approach. A strong commitment from upper management is a critical success factor towards achieving a sustainable economy, and putting “words into actions”.

A first step is to ensure that the institution has a sustainability mandate or that its mandate can be adjusted to include sustainability concerns.

Sustainable business practices start at the institutional level by:

- Publishing a CEO commitment to promote sustainable business practices;
- Becoming a signatory to the “Trade for Sustainable Development (T4SD)” Principles: Sustainability, Transparency, Harmonization and Sustainable Development Goals (SDGs);
- Organising training for staff and modifying their way of working to promote sustainable economy;
- Creating a Sustainable Business technical unit - or reinforcing an existing one and training the staff needed to offer the services to support businesses to implement green practices;
- Communicating the institution's sustainability story to stakeholders and beneficiaries.



Understand beneficiaries' specific needs

Businesses face challenges in understanding sustainable practices. They may also lack the technical and financial capacity to implement them. In some cases, there may be country-sector or market-specific challenges that prevent more sustainable practices and processes from taking place. Some steps that can be taken to support businesses include:

- Conducting a needs analysis through surveys and focus groups to identify priorities of the sector/ types of businesses and related sustainability challenges;
- Organising awareness-raising workshops on the sustainable economy and related topics based on the needs analysis results;
- Carrying out a “Sustainability Diagnostic Report” for each business by encouraging beneficiaries to make use (free of charge) of the Sustainability Map assessment tool. This diagnostic includes the sustainability performance against a certain sustainability norm or standard;
- Conducting meetings and workshops to clarify concerns and work together with the businesses to plan future interventions;
- Designating a focal point and creating a “Sustainable Business Network” and a “Community of Experts in Sustainable Economy”.



Collect business data on sustainability

Many institutions lack the appropriate data to understand the importance and benefits of sustainable business. The following activities can address that information gap so that institutions can offer more targeted services and create a business case for wider engagement:

- Understanding and defining sustainable practices within the local and national contexts;
- Collecting information to understand the proportion of businesses implementing sustainable practices;
- Revising performance indicators so they can be disaggregated by sustainable and conventional businesses;
- Ensuring access to the appropriate tools (for example, data fields in a CRM database) to record and report on this information accurately;
- Promoting transparency on the overall institutional commitment by setting, measuring and reporting on clear sustainable business targets.



Assess whether solutions are conducive to a sustainable economy

Institutions should review their service portfolio to address the different needs of businesses that would like to become more sustainable. Activities include:

- Considering businesses' needs and prioritising budget allocation to support services differentiation;
- Understanding the barriers that may prevent businesses from implementing and promoting sustainable practices and solutions;
- Preparing communications material to raise awareness on the benefits of a sustainable economy for businesses;
- Placing a special focus on helping sustainable businesses access financing;
- Prioritising support for sustainable businesses;
- Developing a business model for technical assistance to support SMEs' transition to a sustainable economy;
- Showcasing sustainable businesses at sponsored trade events;
- Pushing back against any legal and/or regulatory barriers that could negatively affect a company's



Build a supportive ecosystem for sustainable businesses

As the institution is undertaking and supporting transformative change, it needs to affect the wider ecosystem and connect with other institutions. This includes public and private agencies, industrial associations, financial and technical institutions.

- Identify the key public and private partners needed to build a supportive ecosystem for sustainable business;
- Share knowledge/expertise at an institutional level and create networks among beneficiaries;
- Facilitate the development of sustainable business associations;
- Advocate for specific changes to trade and policy and trade facilitation process with respect to sustainable production and trade business practices;
- Advocate for sustainable procurement in-house while promoting the practice within a wider network.



Inspire a “virtuous circle” of sustainability

When sustainable businesses communicate their success, experiences and stories to others, the urge to produce more sustainably can become contagious. Visibility and communication are very powerful mechanisms towards promoting sustainable businesses.

- Communicate the success stories of sustainable businesses via existing channels – websites, newsletters, brochures, social media (Twitter, Facebook, etc.) press releases, conferences;
- Use examples of sustainable businesses in training programmes;
- Consider developing special awards categories to showcase successful sustainable businesses.



Become a Trade for Sustainable Development (T4SD) champion

The Trade for Sustainable Development (T4SD) programme of ITC (www.intracen.org/t4sd) provides tools, platforms and networks that institutions can use to shape and implement their sustainability commitments. This includes becoming a T4SD partner institution by signing our T4SD Principles, registering beneficiary businesses on the Network module of the Sustainability Map, and including staff and consultants into the Community module of Sustainability Map.

Joining T4SD is easy:

- Become a signatory to the T4SD Principles (Sustainability, Transparency, Harmonization, Sustainable Development Goals);
- Join the Network and Community modules of Sustainability Map (www.sustainabilitymap.org);
- Support businesses by implementing the advice in this brochure with a special focus on networking partners and advocating for transformative change;
- Contact us at standardsmap@intracen.org or sustainability@intracen.org

List of tools and resources



Build awareness in the community

The Business Case for Sustainability
(International Finance Corporation - IFC):
www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/business-case

T4SD E-learning courses and material:
learning.intracen.org/course/info.php?id=205

Consult with the T4SD team for webinars/on the field trainings: standardsmap@intracen.org o sustainability@intracen.org

Access free of charge the T4SD Sustainability Map tool to understand sustainable consumption, production and trade trends:
www.sustainabilitymap.org



Commit to becoming a sustainable role model and expert

Become a signatory to the T4SD Principles:
www.intracen.org/itc/market-info-tools/voluntary-standards/t4sd-principles-and-signatories

Consult the T4SD publications related to Sustainability Norms and Value Chains:
www.intracen.org/T4SD/Publications

Join the T4SD Community of Sustainability Experts:
www.sustainabilitymap.org/community

Tips for telling your sustainability story:
www.sustainabledestination.org/wp-content/uploads/2014/01/Communicating-Sustainability.pdf

Educational resources on the Circular Economy
- Ellen MacArthur Foundation:
www.kumu.io/ellenmacarthurfoundation/educational-resources/#ce-general-resources-map/key-for-general-resources-map



Understand beneficiaries' specific needs

Prepare the Sustainability Diagnostic Report for your company members:

www.sustainabilitymap.org/standard-identify

Create your network of beneficiaries using the Sustainability Map Network module:

www.sustainabilitymap.org/publicnetwork

Create your Community of Sustainability Experts using the Sustainability Map Community module:

www.sustainabilitymap.org/community



Collect business data on sustainability

Access freely the T4SD Sustainability Map tool to collect business data on sustainability using the Sustainability Network module:

www.sustainabilitymap.org/network

The Sustainability Imperative - New Insights on Consumer Expectations 2015 (Nielsen):

www.nielsen.com/content/dam/niensenglobal/dk/docs/global-sustainability-report-oct-2015.pdf

Suggest key indicators to collect business data on sustainability. Would you like to get inspired? Reach out to the T4SD team and request the SDG Contribution assessment tool for businesses: cabrera@intracen.org



Assess whether solutions are conducive to a sustainable economy

Find training material in the Community Module of Sustainability Map:

www.sustainabilitymap.org/community

Access to funds for start-ups:

www.secostartupfund.ch

Learn about green and sustainable practices by accessing the Standards Module:

www.sustainabilitymap.org/standard-identify/



Build a supportive ecosystem for sustainable businesses

Become a signatory to the T4SD Principles:

www.intracen.org/itc/market-info-tools/voluntary-standards/t4sd-principles-and-signatories/

Sustainable Public Procurement: A Global Review - The United Nations Environment Programme (UNEP):

www.globalecolabelling.net/assets/Documents/unep-spp-report.pdf

Access to other ITC Market Analysis tools that would help you to guide your beneficiaries to access (sustainable) markets:

www.intracen.org/itc/market-info-tools/market-analysis-tools/



Inspire a “virtuous circle” of sustainability

Get some inspiration about the Sustainability Business Awards by the Global Initiative:

www.sustainablebusinessawards.com/about/

Visit the ISEAL Global Impact platform to, learn about outcomes, impacts and the business case for sustainability initiatives:

www.isealliance.org/about-iseal/our-work/global-impacts-platform



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www.intracen.org/itc/market-info-tools/voluntary-standards/t4sd-principles-and-signatories/

Access freely the T4SD Sustainability Map tool to understand sustainable consumption, production and trade trends:

www.sustainabilitymap.org/



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The International Trade Centre (ITC) is the joint agency of the World Trade Organization and the United Nations.