CORPORATE SUSTAINABILITY REPORTING: THE LATIN AMERICAN CONTEXT

ADVANCES IN COLOMBIA

November 2017
Figure 1: Countries with reporting instruments

Key:
- 10 or more reporting instruments
- Between 5 and 9 reporting instruments
- Less than 5 reporting instruments
- Not in scope for 2016
- No reporting instruments identified
PROMOTING SUSTAINABILITY REPORTING

• Colombia as countries which the GRI Standards are referenced in government or market instruments. Ex.- The Legal Guide to do Business in Colombia- PROCOLOMBIA

• There is an increasing trend for national policy and instruments to build on or refer to existing social and environmental reporting frameworks

• Colombia increasing pressure in Environmental and social reporting, according to an OECD report.

ENTITIES

• The Ministry of Environment and Sustainable Development
• Business Council for Sustainable Development , Colombia Chapter (CECODES)
• Colombian Confereration of Chambers of Commerce (CONFECAMARAS)
• Guilds - ANDI and others
Colombian Manufacturing Companies GRI Reporting G4 – 2016

Sustainability:

Source: From GRI Report – 2016, November 2017 - Database
Climate change has become a strategic concern at many companies in the World. Recent announcements like the 2030 Agenda for Sustainable Development and The Paris Agreement, all sectors have begun to realize the urgency and magnitude with which they must integrate corporate sustainability targets with long-term financial goals.

### SUSTAINABILITY REPORTING

<table>
<thead>
<tr>
<th>Manufacturing</th>
<th>CDP – Climate Change</th>
<th>CDP - Water</th>
<th>DJ Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colombina</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grupo Nutresa</td>
<td>x</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Carton de Colombia</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Argos</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
</tbody>
</table>

*Source: CDP Office in Colombia, November 2017 - Database*
A driver of long-term profitable growth

- Decision-making through a Sustainability lens supports long-term profitability.
- A big goal of Corporate Sustainability is increased transparency.
- Sustainability is largely about managing risk and driving innovation, both of which are top priorities for most corporations.
- Sustainability can drive innovation, resources and process efficiency and ultimately valuation.
- Companies that address these factors through innovation, quality and productivity enhance their ability to generate long-term shareholder value.
SUSTAINABILITY REPORTING

CLIMATE SECURITY

ENERGY SECURITY

ENERGY

Sustainable Development

WATER

LAND USE

WATER SECURITY

FOOD SECURITY
ENVIRONMENTAL IMPACTS BY SECTOR

Climate Change, Waste, Water

Source: IDEAM 2015, Colombia
### Tabla 29. Actividades económicas con mayor huella hídrica azul industrial a escala nacional

<table>
<thead>
<tr>
<th>Código CIUU</th>
<th>Descripción de la actividad</th>
<th>Huella hídrica azul (Millones de m³/año)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1071</td>
<td>Elaboración y refinación de azúcar</td>
<td>22,7</td>
</tr>
<tr>
<td>1701</td>
<td>Fabricación de pulpas (pastas) celulósicas; papel y cartón</td>
<td>5,8</td>
</tr>
<tr>
<td>1089</td>
<td>Elaboración de otros productos alimenticios n. c. p. (no clasificados previamente)</td>
<td>4,4</td>
</tr>
<tr>
<td>1104</td>
<td>Elaboración de bebidas no alcohólicas, producción de aguas minerales y de otras aguas embotelladas</td>
<td>4,4</td>
</tr>
<tr>
<td>1103</td>
<td>Producción de malta, elaboración de cervezas y otras bebidas malteadas</td>
<td>3,6</td>
</tr>
<tr>
<td>2410</td>
<td>Industrias básicas de hierro y de acero</td>
<td>2,1</td>
</tr>
<tr>
<td>1709</td>
<td>Fabricación de otros artículos de papel y cartón</td>
<td>2,0</td>
</tr>
<tr>
<td>1011</td>
<td>Procesamiento y conservación de carne y productos cárnicos</td>
<td>1,7</td>
</tr>
<tr>
<td>2012</td>
<td>Fabricación de abonos y compuestos inorgánicos nitrogenados</td>
<td>1,6</td>
</tr>
<tr>
<td>2394</td>
<td>Fabricación de cemento, cal y yeso</td>
<td>1,5</td>
</tr>
</tbody>
</table>

Source: IDEAM 2014, Colombia
From the perspective of governance, the standardized commodified information can be an instrument for empowering and mobilizing various societal actors so long as it is produced by way of broad participation and with an eye to the needs of future production trends.

Influencing Factors

• Committed financial and human resources
• Clear accountability
• Shared responsibility
• Simple and effective tools and processes
• Life-cycle approach
• Effective communications and cooperation
1. A Scientific Committee assists to guarantee the veracity, quality and independence of all the reports it collaborates.

2. It is expected that governments, corporations and civil society begin to consider the usefulness of these reported information, a good tool to evaluate the policies implemented. Use investment incentives and skill transfer to SMP.

3. Improving access to capital, Increased efficiency and waste reduction, greater transparency about firm performance, can provide firms with knowledge necessary to reduce their use of natural resources, increase efficiency and improve their operational performance.

show together a completeness and transparent scenario
12.6.
Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

- Complete a strategic environmental assessment for all proposed policies, plans, programs or projects that may result in lasting cumulative environmental effects.

- To identify and address environmental issues in context with economic and social considerations.

- Promoting the use of the national GHG emissions reporting tool.
Indicators that evaluate the sustainability of progress of environmental, social and economic processes and reveal management mechanisms that guarantee this sustainability (real situation, trends and scenarios).

Becoming increasingly aware of the importance of the **Circular Economy** as a concept that improves the environmental impact of the entire value chain.

Companies often invest considerable amounts of time and money into their sustainability reports, but they don't always capture the full benefit of sharing solid and meaningful information.
MONITORING SUSTAINABILITY REPORTING RESULTS

1. Company information
2. Sustainability relevant data repository
3. Indicators and baseline
4. MRV - System Management Team
5. MRV – System Committee

Proupose

1. The Companies
2. Repository Team: The Guilds
3. The Statistics Department
4. The System Management Team
5. The System Committe – Ministries, other government entities

QA/QC Technical analysis
“Sustainability is a capacity to prosper in a competitive and changing global business environment by anticipating and managing current and future economic, environmental and social opportunities and risks.”
Edith Urrego Beltrán
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