# What are the benefits of working with RBC and the SDGs for SMEs?

It isn't always easy to embed International RBC and the SDGs into the everyday operations of small and medium-sized enterprises. Workforce capacity might be an issue, and your business may not have much influence in your production chain. Even so, SMEs have certain advantages in this context: the shorter lines of communication allow for faster decisionmaking. Cooperation with other parties in the sector and supply chain, for example in a multi-stakeholder International RBC agreement, is a good way to leverage your business's influence and to share the responsibility for sustainability. SMEs' agility also allows them to develop innovative products and services that can contribute to attaining the sustainability goals. The Council argues that government should take a tailor-made approach to supporting SMEs as they integrate International RBC and the SDGs.

# Cooperation with relevant stakeholders

It is important for businesses to seek partners for both International RBC and SDG commitments. Partners can learn from one another and leverage their impact by taking action together. Cooperation will increase your business' 'licence to operate'. By acting together, you and your partners can track down salient risks in your supply chain or develop new products and services that will help to solve the most pressing social and ecological problems of our time. You can cooperate with others in your own sector, at national or international level, or with trade unions, NGOs and young people. Such cooperation contributes to SDG 17: to set up multi-stakeholder partnerships as important vehicles for mobilising and sharing knowledge, expertise, technologies and financial resources to support the achievement of the sustainable development goals.

## Engaging young people

Young people are worried about the future. They will be affected most by the problems of tomorrow. They see the SDGs as an agenda for tackling the global issues that people and the planet are facing. Young people want to be involved in developing sustainable business practices and how such practices are communicated. You can involve young employees or representatives of youth organisations, for example in your own sector, in developing your business's vision statement and policy.



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## Inspiration

Many businesses are already working to integrate International RBC and the SDGs. You will find inspiration here:

- Dutch businesses share their experiences with IRBC and/or the SDGs in the Council's advisory report *Companies working on sustainable business conduct* (in Dutch).
- Fifteen international businesses discuss in a compendium by Shift and WBCSD how they are addressing human rights impacts by integrating their approach to IRBC and the SDGs.
- Employers' federations VNO-NCW, MKB NL and Global Compact Netherlands have a roadmap for positive impacts on the SDGs, based on IRBC (in Dutch only).
- The MVO Platform has examined how businesses can contribute to attaining the SDGs (in Dutch only).
- Businesses that work with IRBC talk about how they are increasingly linking their activities to the SDGs in the progress report Bedrijven op weg naar 2030 (in Dutch, with an executive summary in English).
- The Danish Institute for Human Rights collected the stories of businesses that are tackling salient human rights issues with IRBC and how this has a positive impact on the SDGs.
- The SDG Compass by the UN Global Compact, GRI and WBCSD provides other examples of relevant KPIs.
- Reporting tools created by the UN Global Compact and GRI can help you account for your business's contribution to attaining the SDGs.
- The OECD and the FAO have produced a guidance showing how IRBC and the SDGs can be combined in agriculture.

# Seizing opportunities and managing risks

How can your business integrate International RBC and the SDGs?

# Guidance for companies

# Doing what's right for a sustainable future

As a business, you want to do what's right for people and the planet in the whole of your supply chain. The guidelines for International Responsible Business Conduct (International RBC) can help. In addition, the Sustainable Development Goals show the key issues that governments, the business community and civil society organisations need to tackle together to attain sustainable development by 2030. What are companies expected to do? How can an integrated approach to International RBC and the SDGs help businesses to do what's right and to contribute to a sustainable future? The Social and Economic Council of the Netherlands has written an advisory **report** that answers these questions. This booklet outlines the most important steps that your business can take. The first one is: **start or continue implementing International RBC practices and do so in cooperation with the stakeholders in your supply chain.** 



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# Innovative products and services

## Want to make an extra contribution to attaining the SDGs?

- Use the SDGs as your inspiration and explore whether you can go beyond pursuing a robust International RBC policy. For example, can you develop innovative products and services that contribute to attaining one or more SDGs?
- Look beyond the SDGs that are most closely aligned with your business's core activities.
- Try to quantify the potential impact of new products and services on the SDGs.
- Perform due diligence to test for any potential or unintentional adverse impacts of new products and services.

Stop, prevent and limit adverse

address your most salient risks,

Develop an action plan to

which includes measurable

performance indicators (KPIs).

impacts.

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We want

sustainable

business

## Communicate how you are tackling adverse impacts. Also communicate and report on how your company contributes to attaining the SDGs.

Introduce remedial measures or work on doing so where necessary. If relevant, communicate about this in relation to the SDGs.

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Monitor International RBC implementation and results. When doing so, take the measurable SDG-related KPIs into account.

Identify and assess any real or potential adverse impacts of your business activities, products or services on people and the planet throughout your supply chain. Prioritise based on the most serious (salient) risks.

Establish the real or potential positive impact on one or more SDGs mitigating the salient risks.

Integrate responsible business conduct into your policies and management systems.

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In addition, integrate your vision on the SDGs and adapt your business case on the basis of this integrated approach.

#### What is International RBC?

International Responsible Business Conduct means that your business aims to deal responsibly with people, the planet and profit across your entire supply chain. It entails entering into an open dialogue with parties in that chain. One of the main components of International RBC is due diligence, a continuous process of analysing and addressing any real or potential adverse impacts of business operations on people and the planet. The International RBC framework consists of the OECD Guidelines for Multinational Enterprises and the UNGPs.

### What are the SDGs?

The seventeen Sustainable Development Goals or SDGs constitute an agenda joining up worldwide efforts to tackle the greatest challenges facing people and the planet by 2030. Partnerships between governments, businesses and civil society organisations are indispensable to achieving these goals. The SDGs also offer businesses opportunities in the form of sustainable business models. At the same time, they require an extra commitment to combating risks and abuses in the supply chain.

#### International RBC and the SDGs are mutually enhancing

The Social and Economic Council considers that International RBC and the SDGs can enhance and complement each other. The SDGs provide a global context and plot a course for RBC policy and can help you communicate about your own RBC efforts. In turn, RBC practices help to implement the SDGs in operational terms. Integrating the two can therefore drive both RBC policy and the fulfilment of the SDGs forward. An integrated approach can boost the contribution that businesses make to sustainable development and help to futureproof businesses and sectors.