



SUSTAINABLE DEVELOPMENT IS NOT A ZERO-SUM GAME

We need triple-win solutions



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- Sustainability is an obvious part of today's businesses, and employers want to contribute proactively to sustainable development
- Sustainability is an approach that integrates the "three pillars" of development: economic, social and environmental
- Win-win-win measures should be sought rather than merely trade-offs between the pillars
- A sound and solid economy is the necessary enabler of sustainable development, and enterprises play a crucial role as generators of this development
- The EU should pay due attention to the economic foundations for sustainability and provide a favourable business environment to meet the challenges and seize the opportunities

How do enterprises see sustainability in practice?

- Sustainability is part of the strategies and everyday processes of today's businesses
- Companies apply 'new economic models' - such as the circular economy - with the aim of simultaneously generating economic, social and environmental benefits
- Many companies see sustainability as a business opportunity, through differentiation of products and services or by providing solutions to sustainability challenges
- Sustainability is also seen as part of risk management, including reputation
- Sustainability is increasingly driven by market forces (investors, financiers, customers)
- Sustainability implies that companies need to be competitive and profitable
- To ensure social and environmental sustainability, companies interact actively with their stakeholders (shareholders, customers, employees, local communities) and manage their climate and environmental impacts
- Companies also report and communicate increasingly on non-financial aspects

Economic foundations for sustainable development must be strengthened

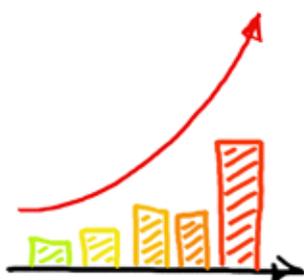
The EU must ensure the necessary economic foundations for sustainable development. To help enterprises play their crucial role as generators of sustainable development, policy-makers must provide a favourable business environment. Instead of trade-offs, economic, social and environmental benefits should be sought simultaneously.

Sustainable development is a highly comprehensive concept: intergenerational, global and with all-encompassing content. According to the most quoted definition (Brundtland Commission 1987) "sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs".



Implementation of Sustainable Development Goals – TOP 10 performers

1. Sweden - 85.0
2. Denmark- 84.6
3. Finland - 83.0
4. Germany - 82.3
5. France - 81.2
6. Norway - 81.2
7. Switzerland - 80.1
8. Slovenia - 80.0
9. Austria - 80.0
10. Iceland - 79.7



Source: Bertelsmann Stiftung and Sustainable Development Solutions Network. SDG Index and Dashboards Report 2018.

Sustainability is an inevitable approach for the future, an obvious part of doing business and a mindset that has to be considered in everything. Sustainable development is based on three "pillars": economic, social and environmental. The three dimensions are interlinked and inseparable.

Sustainable development is not a zero-sum game but brings about multiple wins if the cards are played in the right way. Accordingly, win-win-win solutions should be striven for, rather than merely trade-offs between the pillars. This means looking for policies and measures that strengthen the economy and generate jobs and well-being, while helping decrease climate and environmental impacts simultaneously.

A sound and solid economy is the necessary enabler of sustainability, and enterprises play a crucial role in helping decrease economic insecurity and in generating overall sustainable development:

- Employers create jobs and prosperity and thus lay the foundations for social development
- Enterprises provide goods and services that respond to citizens' everyday needs

- Enterprises develop and apply practices and models for the sustainable use of natural resources
- Enterprises provide and introduce climate and environmental technologies and other solutions

The EU should thus pay due attention to the economic foundations for sustainability. A vital question is: How can we enhance an enabling and encouraging business environment (for industry, services and agriculture) to meet the challenges and seize the opportunities of sustainable development?

The answer: We need a business environment that strengthens the competitiveness of European enterprises, encourages entrepreneurship and provides favourable conditions for innovating, investing, operating and trading.

Sustainable development must be seen in the global context, as many challenges are global in nature. Sustainability is also a matter for all actors in society, and much depends on the choices of consumers and citizens. Step-by-step and "no regret" approaches are needed for long-term challenges, as there are plenty of uncertainties and, for example, new technologies will enable new kinds of solutions.

The **17 Sustainable Development Goals (SDGs)** of the UN Agenda 2030 are a tool to concretise sustainable development, and they are related to certain economic, social and environmental challenges being faced globally. Several SDGs enhance sustainable economic growth and its prerequisites, such as those relating to industry, agriculture, SMEs, infrastructure, trade, investment and finance.

TO BE AVOIDED:

Sustainable development must not be undermined by:

- playing down the positive role of enterprises in generating economic, social and environmental benefits,
- holding up voluntary and market-based progress with discouraging restrictions and requirements.