



47. We acknowledge the importance of corporate sustainability reporting and encourage companies, where appropriate, especially publicly listed and large companies, to consider integrating sustainability information into their reporting cycle. We encourage industry, interested governments as well as relevant stakeholders with the support of the UN system, as appropriate, to develop models for best practice and facilitate action for the integration of sustainability reporting, taking into account the experiences of already existing frameworks, and paying particular attention to the needs of developing countries, including for capacity building.

## What is the Group of Friends of Paragraph 47?

The Group of Friends of Paragraph 47 is a government-led initiative that was formed by Brazil, Denmark, France and South Africa - pioneers in the promotion of corporate sustainability reporting through policy and regulation - in June 2012 during the United Nations Conference on Sustainable Development (UNCSD/Rio +20) in order to advance the recommendations put forward under Paragraph 47 of the Outcome Document, *The Future We Want*. Since then, the Governments of Austria, Colombia, Norway and Switzerland have joined the Group. The UN Environment Programme (UNEP) and the Global Reporting Initiative (GRI) support the Group in a Secretariat capacity.

The Group members share the belief that corporate transparency and accountability are key elements of a well-functioning market economy, and that they enhance the private sector's contribution to sustainable development. In order to create enabling conditions for this, the Group aims to further the promotion of corporate sustainability reporting globally by working with governments and relevant stakeholders to develop and exchange best practice models for policy and guidance in this area.

## Charter of the Group of Friends of Paragraph 47

The Group's Charter was published on 7 November 2012, and reaffirms the Group's intention to contribute to the advancement of an international culture of corporate transparency and accountability. The key points are:

- The recognition that governments have a primary role to play in moving society towards a sustainable model of development given their access to soft and hard instruments that can positively influence corporate behavior
- The intention to bring governments and other stakeholders together to develop best practice examples of policy and regulation for promoting corporate sustainability reporting
- That corporate sustainability reporting should become widespread practice to allow for a transparent, well-functioning market economy and for the private sector to contribute to sustainable development
- To promote the use of, and build upon, existing and widely-used sustainability reporting guidance, such as principles, indicators, and frameworks
- That developing countries and Small and Medium Enterprises (SMEs) will be given particular attention in progressing on sustainability reporting if needed.

## What are the main goals of the Group?

- To promote the exchange of experiences with sustainability reporting policies and initiatives
- To foster a process of continuous learning by all members of the Group aiming at enhancing the effectiveness of sustainability reporting policies, including by strengthening the quality of sustainability reports
- To increase the number of governments with policies or initiatives that promote corporate sustainability reporting
- To maintain and promote the sustainability reporting agenda within intergovernmental discussions, so that the positive momentum built during Rio+20 is strengthened
- To consolidate a multi-stakeholder platform for the promotion of sustainability reporting, building on the understanding that sustainability reporting is indeed a multi-stakeholder effort

With the support of



## How will the Group go about achieving these goals?

- Promote thematic ‘peer to peer’ discussions to analyse and discuss current and emerging issues associated with the sustainability reporting agenda
- Contribute to the organisation of focused national and/or regional exchanges of experience on sustainability reporting policy and initiatives, upon specific request by current or prospective members
- Continue to reach out to interested governments with a view to achieving a growing participation in the Group and ensuring geographic balance
- Participate in key international events on the sustainability reporting agenda
- Engage relevant stakeholders in concrete activities within the Group’s Work Plan, including co-organising events, peer-reviewing and/or co-authoring publications, co-developing activities to share experiences with current and prospective member governments, and conducting outreach to prospective members

## How can governments engage with the Group?

Engaging with other governments to develop and exchange best practice policy and guidance for corporate sustainability reporting is a major goal for the Group. This engagement can occur in several ways:

- **Join the Group**

**Benefits:** By joining the Group, governments can enjoy benefits such as:

- Peer to peer learning about the development and implementation of policies and initiatives on corporate sustainability reporting;
- Access to the most current information about national, regional and international developments on this agenda;
- Engagement with and feedback from the key stakeholder groups and thought leaders working on this agenda; and
- International recognition as a leader on this agenda.

**Procedure:** To join the Group, a government representative can contact any Group Member or the Secretariat with their request to join, providing they adhere to these simple criteria. All governments interested in joining should:

- Declare that they share the values and objectives of the Group as described in the Charter.
- Indicate their policy(ies) in place to promote sustainability reporting or, in their absence, have made public their intention to develop such a policy(ies), and commit to report on progress; and
- Commit to participate in activities and formal meetings of the Group of Friends (tentatively 2 in person meetings per year).

The Secretariat will then complement and validate the above with a light assessment and will inform Group Members of the results. The Bureau will then consider the new membership request and the light assessment, and will approve it should all requirements be met. The Bureau could also request more information on the status of the country’s progress on sustainability reporting initiatives and engage in a dialogue for clarification and potential need for capacity building.

- **Attend Group meetings**

The Group conducts an outreach process when it has scheduled an open meeting, inviting all interested governments to attend

- **Ad hoc communication**

The Group welcomes ad hoc interaction with other governments who have questions, ideas, examples of policies/guidance/past experiences with policy making

## How can interested stakeholders engage with the Group?

The Group recognizes that adequate stakeholder engagement is crucial to delivering optimal outcomes: it offers an important range of expertise and views to better inform decisions, expands the support base for sustainability reporting, and can open communication channels to the wider community. The Group will engage with stakeholders on a very practical basis and will initially aim at ensuring the involvement of stakeholders in several concrete activities that contribute to the Group’s annual work plan.