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giz Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

AHK Delegation der Deutschen Wirtschaft in Bosnien und Herzegowina
Predstavništvo njemačke privrede u Bosni i Hercegovini

Fit for Sustainable Supply Chain in Europe

A holistic and practical approach to how purchasing can systematically integrate sustainability into its strategies and practices.

Carsten Vollrath | Expert in procurement excellence & transformation

Carsten Vollrath
Founder and
Managing Partner
IPG PARTNERS GROUP

- Carsten has over **30 years of industry and consulting experience**. His focus areas include programs for **digital and sustainable transformation**.
- **Procurement and supply chain management** are a central focus of his work.
- As a **coach, trainer and expert in digital (AI) tools**, he supports various procurement organizations.

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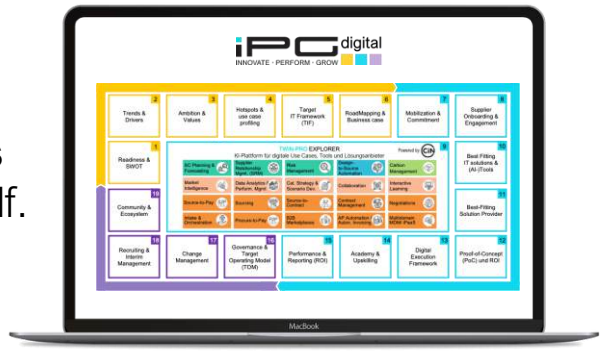
The TWIN Transformers
Transformation. By yourself.
Faster. More intelligently.

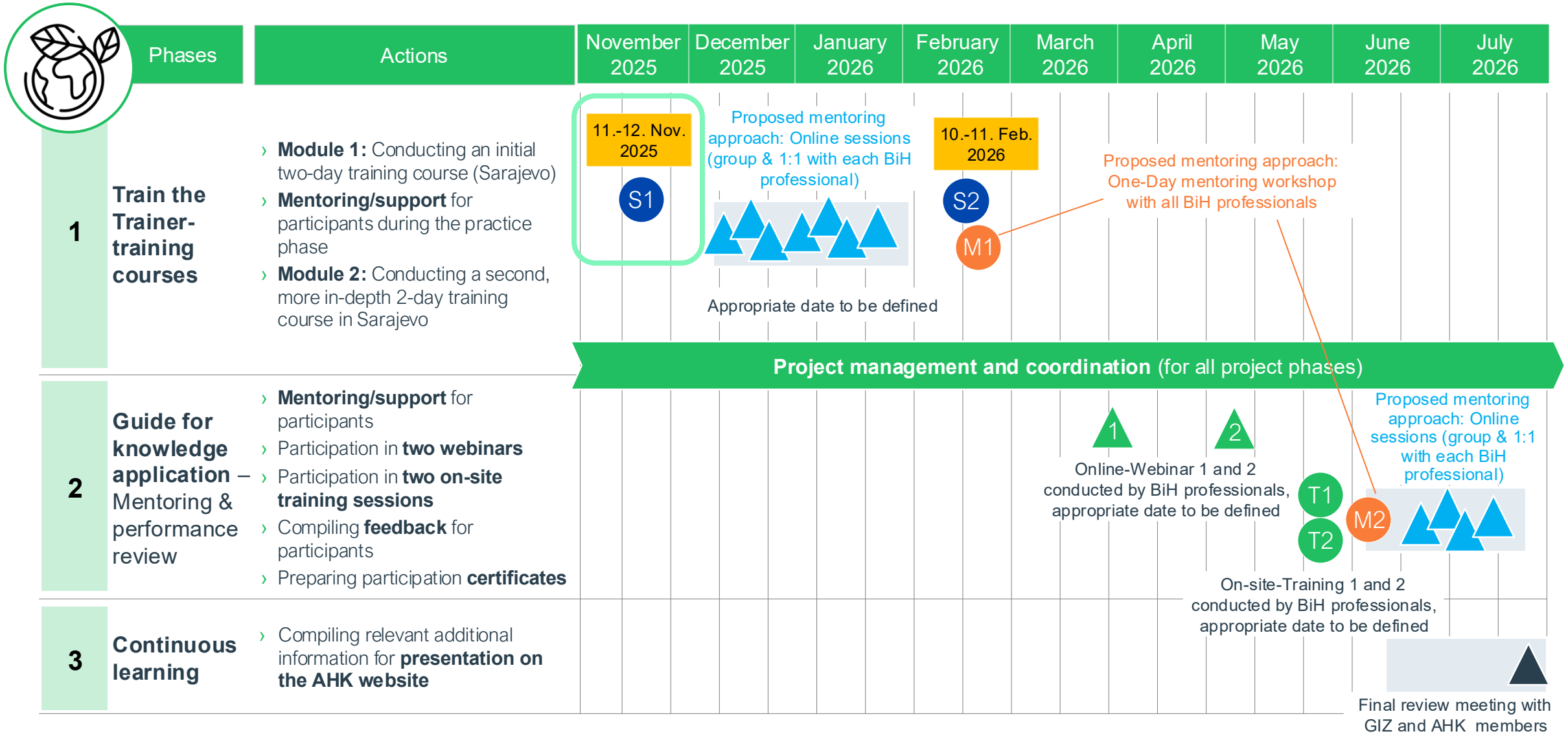


Our trademarks

- **Tailored, multidisciplinary** approach for digital and sustainable transformation Synergistic combination **of coaching, training, mobilization**, and **AI deployment** instead of traditional consulting
- Strong focus on **fast and measurable ROI**
- **Exclusive access** to our network of innovation and technology leaders from around the world
- **Open innovation labs** for co-creation with research, suppliers, and customers for new solutions

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Timing | Tainings will be conducted in Nov. 25 (S1) and Feb. 26 (S2) – mentoring workshops planned for February 26 and May/June 26



Source: IPG

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Training approach and focus | The 3 phases and seven training modules

Goals

Sustainable Procurement Excellence

- Establishment of a practical training program for CSDDD in BiH
- Development of a comprehensive understanding
- Training ten local professionals to enable them to conduct training courses in local companies
- Promoting the competitiveness of companies in BiH on European markets

1 Train the Trainer-training courses | **2 Guide for knowledge application – Mentoring & performance review** | **3 Continuous learning**

S1 11.-12. Nov. 2025

M1 Business environment & general conditions	M2 Sustainability pulse check and strategy derivation	M3 Sustainability category group analysis	M4 Sustainability supplier analysis	M5 Sustainability supply chain analysis	M6 Digital (AI-)Tool Guide	M7 Transformation roadmap and Benefit / Value monitoring
› Background, development and core elements of the most important laws and legal frameworks › Practical workshop: Sustainable Development Goals (SDG)	› Sustainability pulse check: analysis of the status quo of sustainable procurement management › Practical workshop: Risk analysis, materiality analysis	› Development of a sustainable shared ownership strategy: initial situation, objectives, thrusts and individual objectives › Practical workshop: Product group analysis and levers for sustainability	› Building blocks of sustainable supplier management › Practical workshop: 1) Sustainability criteria for supplier evaluation, 2) Supplier measures for sustainability	› Supply chain analysis: methods and procedures for implementing sustainability standards in the upstream and downstream supply chain › Practical workshop: CO2 emissions measurement along the supply chain (Scope 3)	› Overview on Digital (AI)-Tools for Sustainability in Purchasing and Supply Chain › Tool selection methodology	› Transformation of procurement: change management and stakeholder involvement › Practical workshop: Developing a sustainability roadmap for your company

Source: IPG

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Day 1 - Morning
Modules 1

09:00 – 12:00

1	Fit for Sustainable Supply Chain in Europe – welcome & introduction	09:00 – 09:30
2	**Module 1** Business environment & general conditions	09:30 – 10:30 10:30 - 10:45
3	**M1 - Sprint** SDG-Prioritization	10:45 – 12:00

Day 1 - Afternoon
Modules 2

13:00 – 17:00

4	**Module 2** Sustainability pulse check and strategy derivation	13:00 – 14:00
5	**M2 - Review** Sustainability pulse check (Maturity check)	14:00 – 15:00 15:00 –15:15
5	**M2 - Sprint** Impact Analysis	15:15 – 16:30
6	Wrap-up Day 1 & Outlook Day 2	16:30 – 17:00

Questions & comments Coffee break All times given are indicative and may vary.

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Day 2 - Morning
Modules 3

9:00 - 12:00

1	**Module 3** Sustainability category group analysis	09:00 – 09:45
2	**M3 - Sprint** Sustainability category group assessment (Heat Map)	09:45 – 10:30 10:30 - 10:45
3	**M3 - Sprint** Sustainability optimization lever assessment for category management	10:45 – 12:00

Day 2 - Afternoon
Modules 4

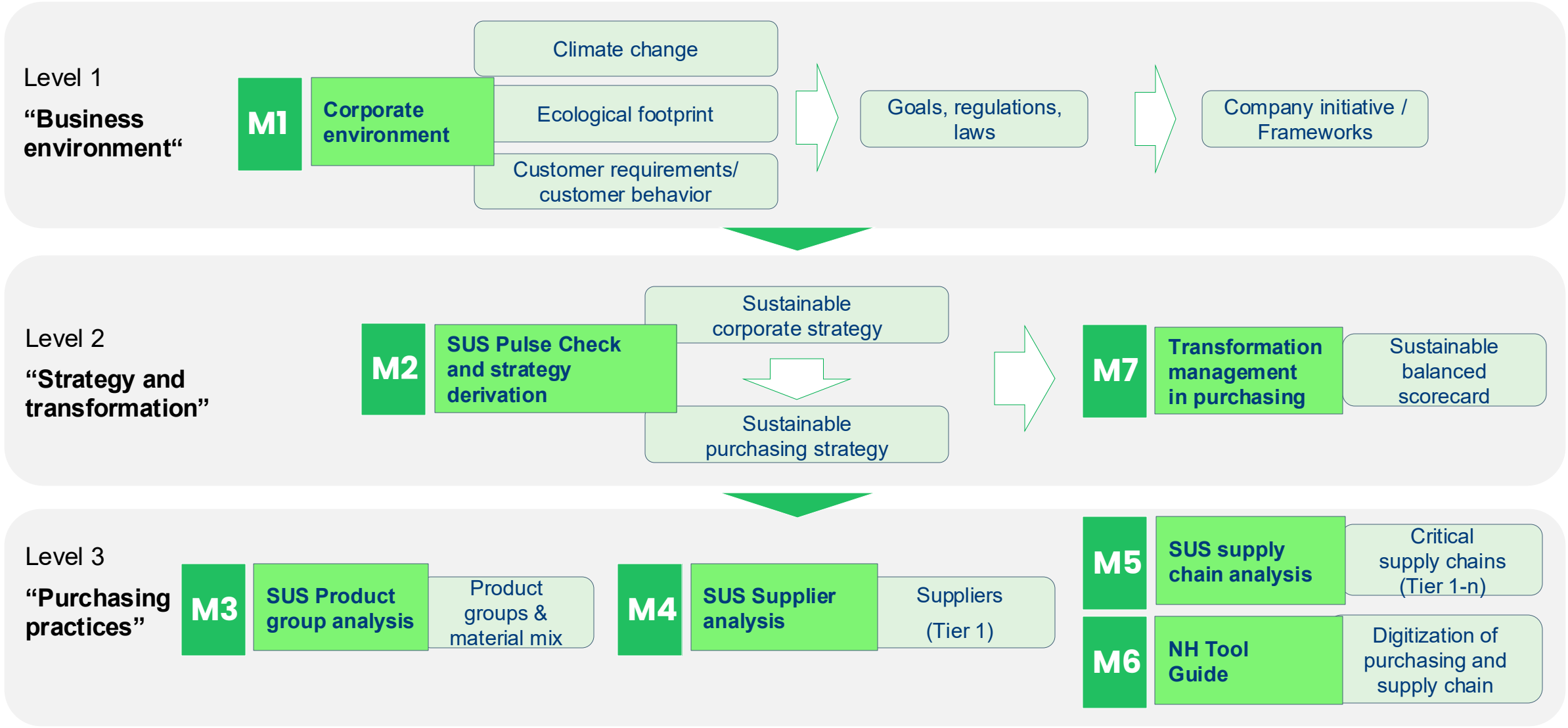
13:00 – 15:00

4	**Module 4** Sustainability supplier analysis	13:00 – 13:45
5	**M4 - Sprint** Supplier measures for sustainability	13:45 – 14:30 14:00 - 14:15
6	Wrap-up session 1 & Outlook training session 2	14:30 – 15:00

Questions & comments Coffee break All times given are indicative and may vary.

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Module interfaces | IPG´s sustainable procurement excellence training systematically addresses important interfaces between corporate level and purchasing practices



Source: IPG

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Participant overview

Participant overview
Nov. 2025

Nr.	Participant Name	Gender / Title	Position in the Company	Company Name	Sector	
1	Enis Brigić	Mr.	Head of Air and Sea Freight Department	Rail Cargo Logistics BH d.o.o.	Transport / Logistic	
2	Esad Lemes	Mr.	Procurement Manager	Alternativa d.o.o.	Metal processing, export-oriented company	
3	Semir Bjelak	Mr.	Team Coordinator in the Quality Control Department	Lidl BH d.o.o., Sarajevo	Retail sector	
4	Kenan Starčević	Mr.	Operations Manager – Head of Procurement and Technical Office	BOFIL d.o.o.	Metal processing, export-oriented company	
5	Haris Ohran	Mr.	Mechanical Engineer	Solid CNC d.o.o.	Metal processing, export-oriented company	
6	Zijah Jelkić	Mr.	Head of Production Planning and Customer Communication Department	Veritas Automotive d.o.o.	Automotive, export-oriented company	
7	Amina Koljić-Hujić	Ms.	ESG Consultant	Be better d.o.o. – Budi bolji d.o.o.	Consulting	
8	Elvir Ćatić	Mr.	Procurement Officer for Production	New Cold Metal	Metal processing, export-oriented company	
9	Merima Osmić	Ms.	Supply Chain Manager	Lukavac Cement	Cement manufacturing	
10	Nerma Salihović	Ms.	Business Consultant	AHK BiH	Consulting	

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Expectations | Gain global movements, trends and regulations, acquire practical skills to implement sustainability, get to know best practices, inovative approaches and (digital) SC tools (1/2)

Nov.2025

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Expectations | Gain global movements, trends and regulations, acquire practical skills to implement sustainability, get to know best practices, inovative approaches and (digital) SC tools (2/2)

Nov.2025

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Outlook| How to prepare for session 1

- PreRead for M1 – M4 (next week)
- Online questionnaire “Pulse Check” (next week)
- Exercises in breakout groups (during training sessions)

Bring your Laptop to the training

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IPG Masterclass

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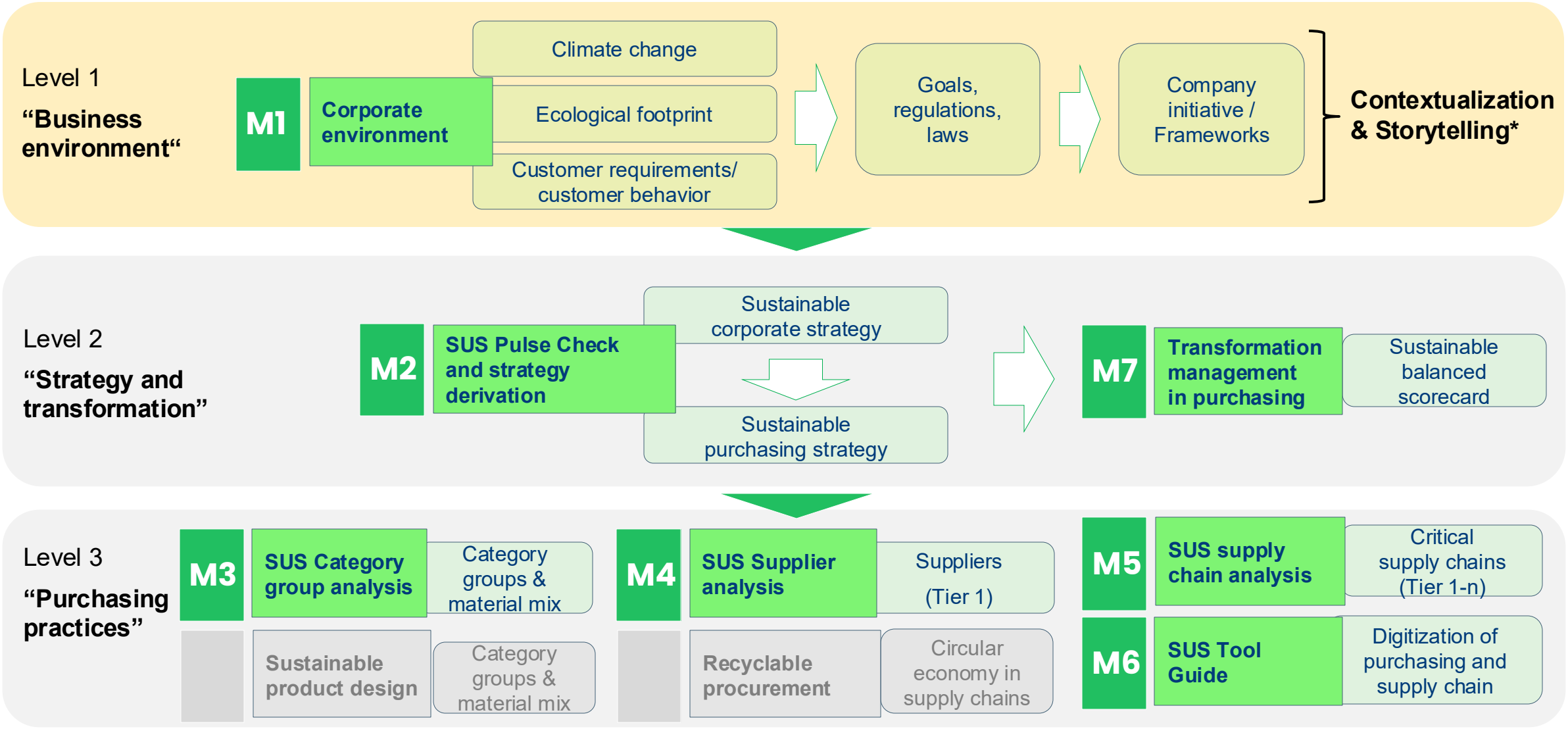
Sustainable Procurement

M1 – Business environment & general conditions

IPG PARTNERS GROUP

Module interfaces | IPG´s sustainable procurement excellence training systematically addresses important interfaces between corporate level and purchasing practices



Source: IPG

* The art of storytelling

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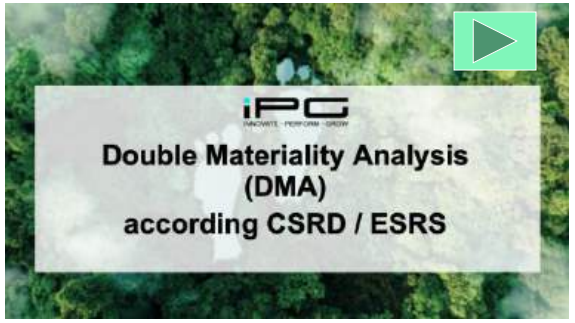

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4	Kenan Starčević	Mr.	Operations Manager – Head of Procurement and Technical Office	BOFIL d.o.o.	Metal processing, export-oriented company	BosnaCool
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9	Merima Osmić	Ms.	Supply Chain Manager	Lukavac Cement	Cement manufacturing	SaraCook
10	Nerma Salihović	Ms.	Business Consultant	AHK BiH	Consulting	SaraCook

Team 1 «SaraCook»

	Name	Last Name
1	Semir	Bjelak
2	Haris	Ohran
3	Elvir	Ćatić
4	Merima	Osmić
5	Nerma	Salihović

Participant Team 1
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Team 2 «BosnaCool»

	Name	Last Name
1	Enis	Brigić
2	Esad	Lemes
3	Kenan	Starčević
4	Zijah	Jelkić
5	Amina	Koljić-Hujić

Participant Team 2
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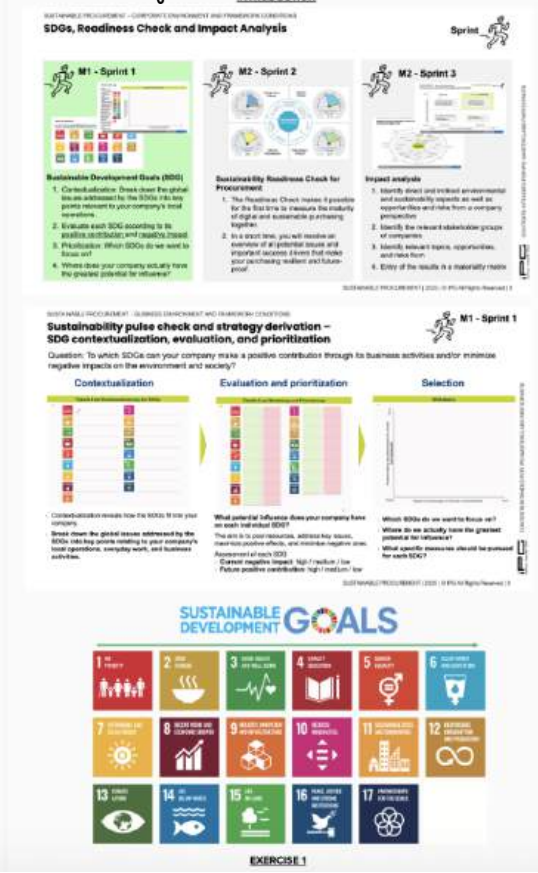
INHALTE BESTIMMT FÜR PROCURE.CH LEHRGANGSTEILNEHMER

GIZ-M1_Team 1_DUALIS

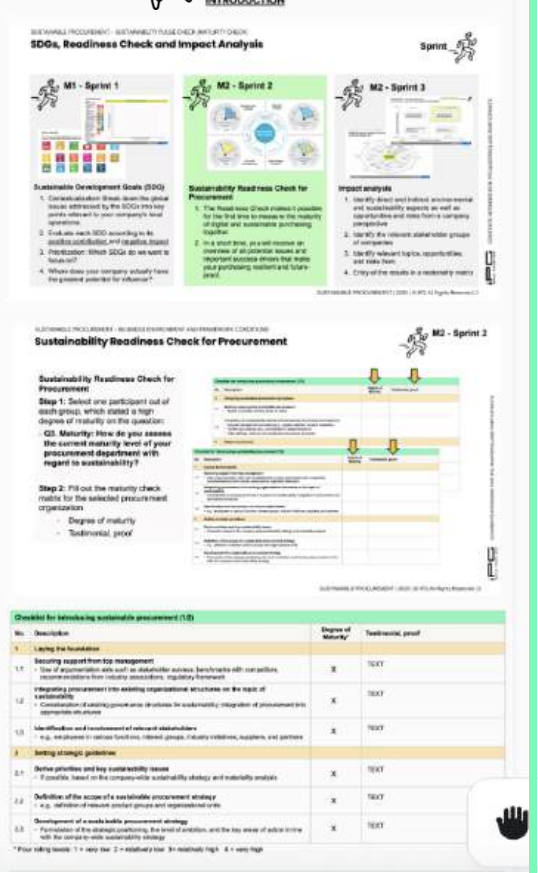
MURAL

Facilitate | Share | CV

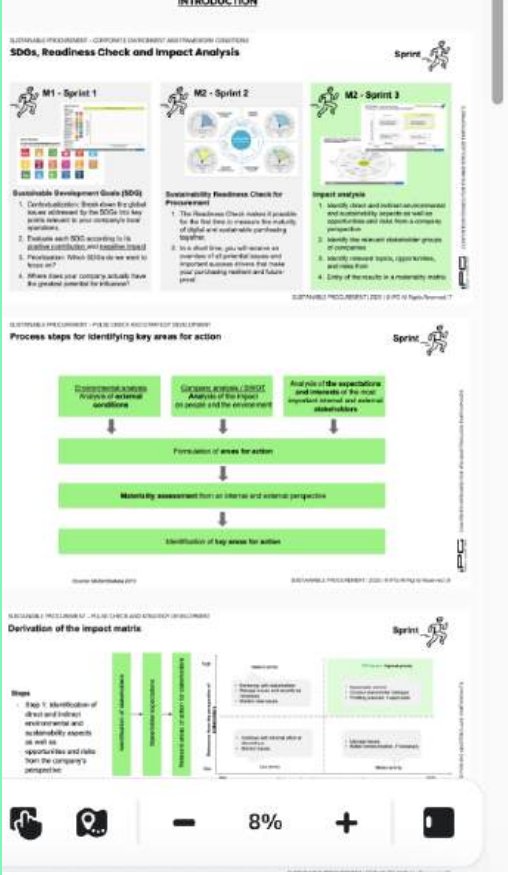
Sprint 1



Sprint 2



Sprint 3



INHALTE BESTIMMT FÜR PROCURE.CH LEHRGANGSTEILNEHMER

Case Study Sustainable Procurement @ DUALIS – BiH Company

DUALIS

Initial situation and objectives

- The Bosnian company **DUALIS is a renowned, traditional manufacturer** based in Sarajevo.
- DUALIS has **two business units**:
  - Business Unit 1 “Cooking”: Manufacturing of cookware and frying pans (brand “SaraCook”) with high vertical integration, many small suppliers primarily from the BiH region and neighboring regions
  - Business Unit 2 “Cooling”: Manufacturing of refrigerators and freezers (brand “BosnaCool”) with low vertical integration, global suppliers, primarily from Asia
- The company enjoys a **good reputation with two strong brands** in the eyes of its customers.
- DUALIS operates in both the **B2B and B2C sectors**.
- DUALIS is **planning a strong European expansion** with a focus on **exports to the European Union**.
- To meet European sustainability standards, DUALIS has established a **company-wide sustainability department**.
- This department is tasked with **developing an increasingly sustainable business model** for DUALIS, in line with customer expectations and new regulatory requirements.
- In addition, the purchasing department has been tasked by DUALIS management with **establishing a sustainable purchasing organization** to drive sustainability initiatives within Scope 3 and to work very closely with the sustainability department.

INHALTE BESTIMMT FÜR PROCURE.CH LEHRGANGSTEILNEHMER

Case Study Sustainable Procurement @ DUALIS – BiH Company

Product scope

DUALIS

SaraCook

Manufacturer

Business Unit 1 “Cooking”: Manufacturing of cookware and frying pans

- Traditional cookware manufacturer with a strong brand
- High vertical integration, many small suppliers primarily from the BiH region and neighboring regions

BosnaCool

Manufacturer

Business Unit 2 “Cooling”: Manufacturing of refrigerators and freezers

- Traditional manufacturer of refrigeration rppliances with a strong brand
- Low vertical integration, global suppliers, primarily from Asia

INHALTE BESTIMMT FÜR PROCURE.CH LEHRGANGSTEILNEHMER

IPG Masterclass

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Sustainable procurement

M1 – Business environment & Framework Conditions

M1 – Sprint: SDG-Prioritization

IPG PARTNERS GROUP

SDGs, Readiness Check and Impact Analysis

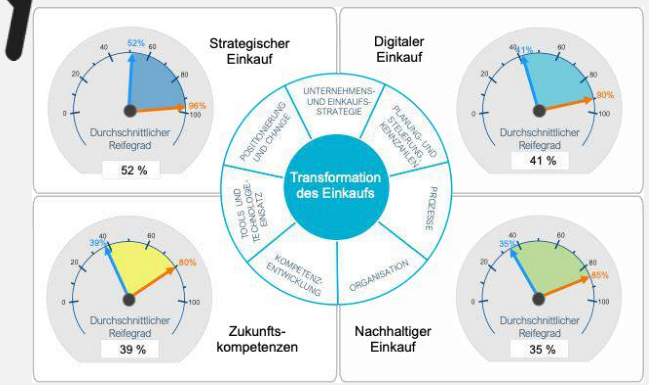
Sprint

M1 - Sprint 1

Sustainable Development Goals (SDG)

1. Contextualization: Break down the global issues addressed by the SDGs into key points relevant to your company's local operations.
2. Evaluate each SDG according to its positive contribution and negative impact
3. Prioritization: Which SDGs do we want to focus on?
4. Where does your company actually have the greatest potential for influence?

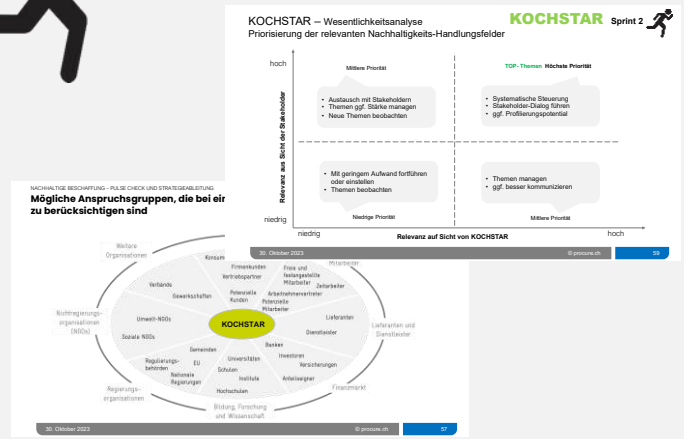
M2 - Sprint 2



Sustainability Readiness Check for Procurement

1. The Readiness Check makes it possible for the first time to measure the maturity of digital and sustainable purchasing together.
2. In a short time, you will receive an overview of all potential issues and important success drivers that make your purchasing resilient and future-proof.

M2 - Sprint 3



Impact analysis

1. Identify direct and indirect environmental and sustainability aspects as well as opportunities and risks from a company perspective
2. Identify the relevant stakeholder groups of companies
3. Identify relevant topics, opportunities, and risks from
4. Entry of the results in a materiality matrix

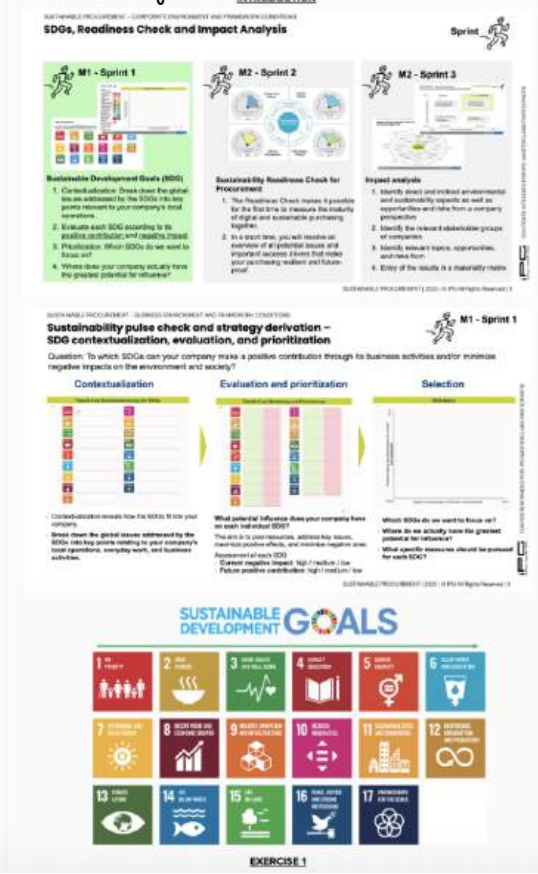
CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

GIZ-M1_Team 1_DUALIS

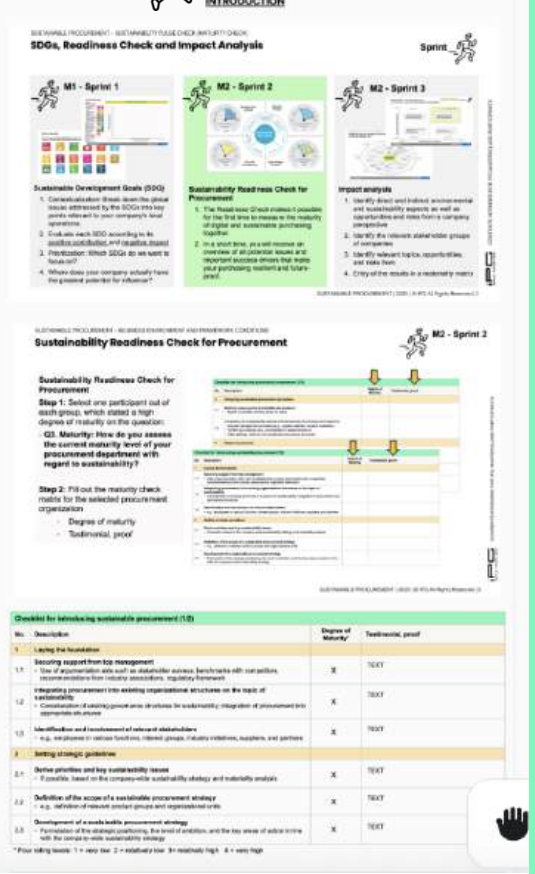
MURAL

Facilitate Share CV

Sprint 1



Sprint 2



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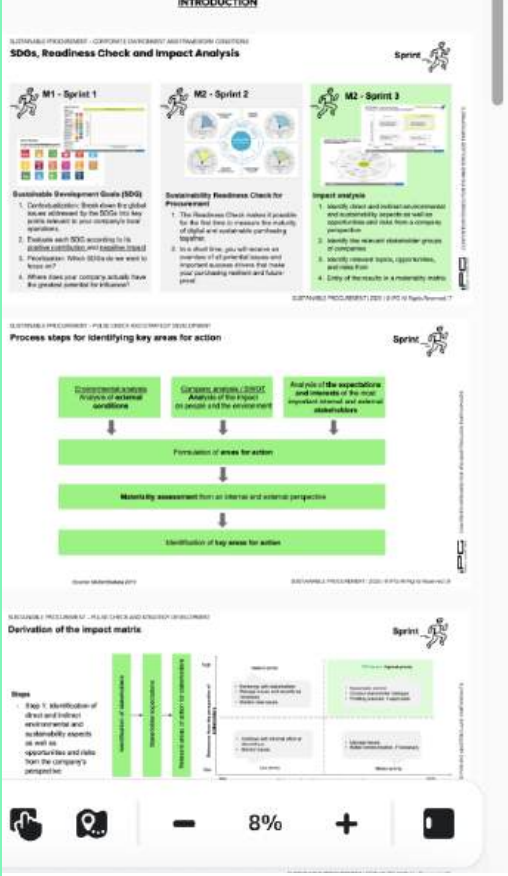


INHALTE BESTIMMT FÜR PROCURE.CH LEHRGANGSTEILNEHMER

Sustainability pulse check and strategy derivation – SDG contextualization, evaluation, and prioritization

Question: To which SDGs can your company make a positive contribution through its business activities and/or minimize negative impacts on the environment and society?

Contextualization

- Contextualization reveals how the SDGs fit into your company.
- **Break down the global issues addressed by the SDGs into key points relating to your company's local operations, everyday work, and business activities.**

Evaluation and prioritization

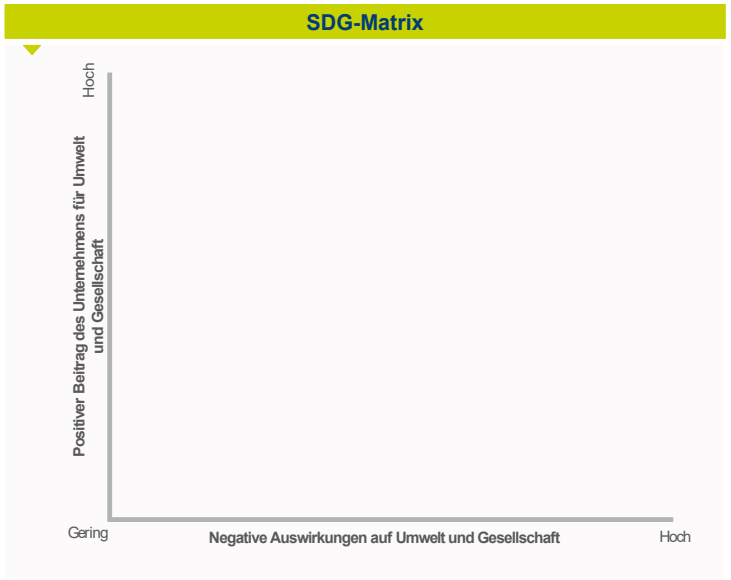
What potential influence does your company have on each individual SDG?

The aim is to pool resources, address key issues, maximize positive effects, and minimize negative ones.

Assessment of each SDG

- **Current negative impact**: high / medium / low
- **Future positive contribution**: high / medium / low

Selection



- **Which SDGs do we want to focus on?**
- **Where do we actually have the greatest potential for influence?**
- **What specific measures should be pursued for each SDG?**

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Sustainability pulse check and strategy derivation – SDG contextualization

Sustainable Development Goal	Set company-specific sub-goals: Break down the global issues addressed by the SDGs into key points that apply to your local operations, work, and everyday business activities.
	…
	…
	…
	…
	…

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Sustainability pulse check and strategy derivation – SDG contextualization

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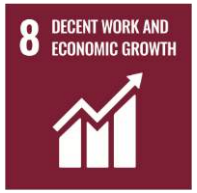	…
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Sustainability pulse check and strategy derivation – SDG contextualization

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	…
	…
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CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Sustainability pulse check and strategy derivation – SDG assessment of potential influence

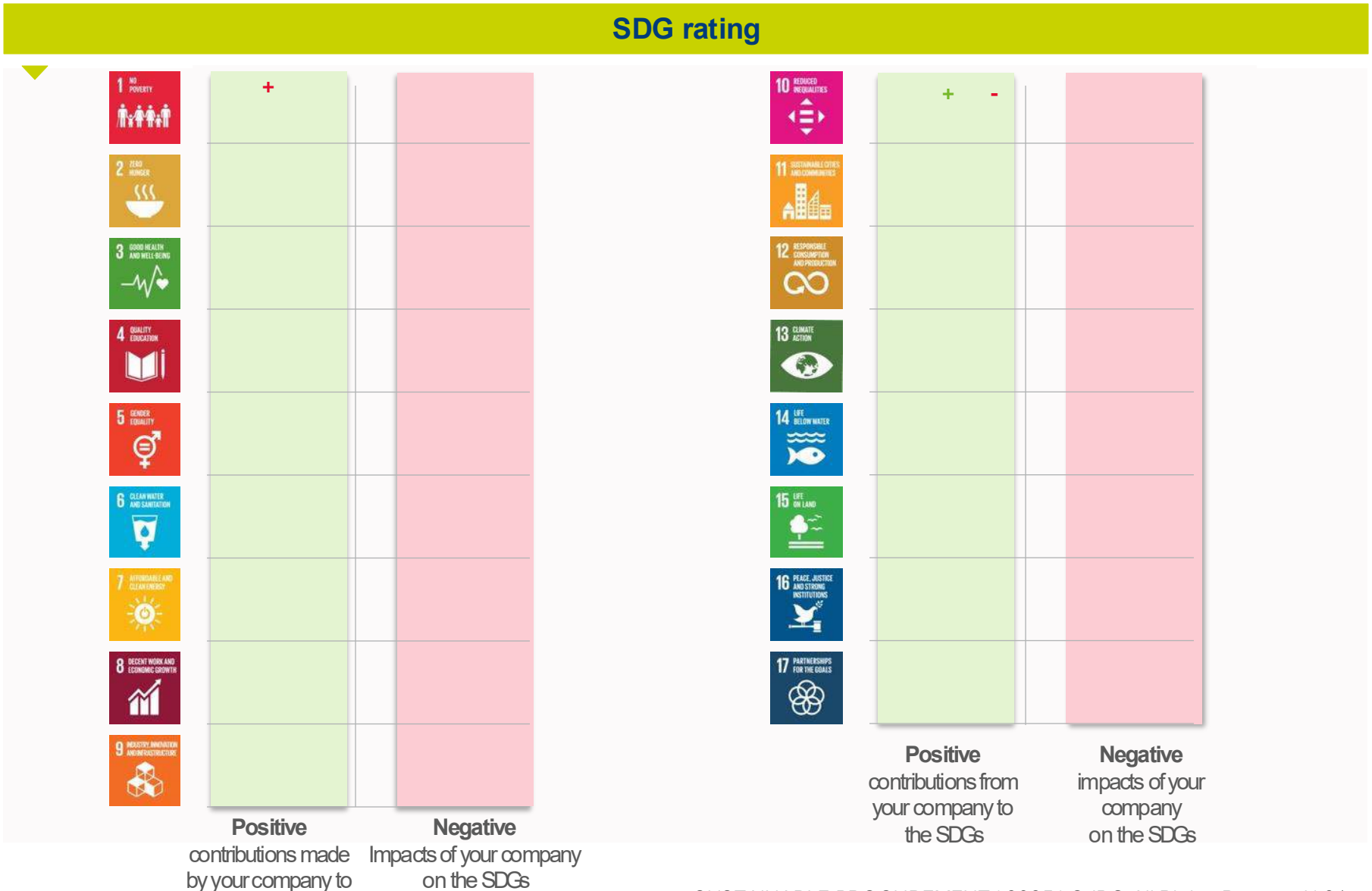
Assess your company's impact on the SDGs.

What potential influence does your company have on each individual SDG?

The aim is to pool resources, address key issues, maximize positive effects, and minimize negative ones.

- **Assessment of each SDG**:
  - *How high is our **current negative impact/influence**?* High / Medium / Low
  - *How high is our (**future) positive contribution***? High / Medium / Low

high medium low



CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Sustainability pulse check and strategy derivation – SDG prioritization

Selection of prioritized SDGs

The assessment is then validated. The following questions should be answered here:

- **Which SDGs do we want to focus on?**
- **Where do we actually have the greatest potential to influence?**
- **Is the relative positioning of the SDGs correct?**

Finally, the assessment results from the table are transferred to a two-axis SDG matrix.

The SDGs to which the company makes a high positive contribution while also generating significant negative effects are placed in the upper right quadrant.

The SDGs in the upper right quadrant are the SDGs that are central and prioritized for your company.

SDGs in the lower left area can be excluded.

At the end of the prioritization process, you should have focused on one to a maximum of five SDGs.

SDG matrix

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

TARGET 12.A

SUPPORT DEVELOPING COUNTRIES' SCIENTIFIC AND TECHNOLOGICAL CAPACITY FOR SUSTAINABLE CONSUMPTION AND PRODUCTION

TARGET 12.B

DEVELOP AND IMPLEMENT TOOLS TO MONITOR SUSTAINABLE TOURISM

TARGET 12.C

REMOVE MARKET DISTORTIONS THAT ENCOURAGE WASTEFUL CONSUMPTION

TARGET 12.1

IMPLEMENT THE 10-YEAR SUSTAINABLE CONSUMPTION AND PRODUCTION FRAMEWORK

TARGET 12.4

RESPONSIBLE MANAGEMENT OF CHEMICALS AND WASTE

TARGET 12.7

PROMOTE SUSTAINABLE PUBLIC PROCUREMENT PRACTICES

TARGET 12.5

SUBSTANTIALLY REDUCE WASTE GENERATION

TARGET 12.2

SUSTAINABLE MANAGEMENT AND USE OF NATURAL RESOURCES

TARGET 12.8

PROMOTE UNIVERSAL UNDERSTANDING OF SUSTAINABLE LIFESTYLES

TARGET 12.3

HALVE GLOBAL PER CAPITA FOOD WASTE

TARGET 12.6

ENCOURAGE COMPANIES TO ADOPT SUSTAINABLE PRACTICES AND SUSTAINABILITY REPORTING

ASS PARTICIPANTS

INNOVATE - PERFORM - GROW

SUSTAINABLE PROCUREMENT | 2020 | © UNEP All Rig

SDG with measures

SDG 12: Ensure sustainable consumption and production patterns

- [Selected target]
- [Selected sub-goal]

Our contribution

- [Company contribution]
- [Company contribution]
- [Company contribution]

What can you do?

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Day 1 - Morning
Modules 1

09:00 – 12:00

1	Fit for Sustainable Supply Chain in Europe – welcome & introduction	09:00 – 09:30
2	**Module 1** Business environment & general conditions	09:30 – 10:30 10:30 - 10:45
3	**M1 - Sprint** SDG-Prioritization *Reflection*	10:45 – 12:00

Day 1 - Afternoon
Modules 2

13:00 – 17:00

4	**Module 2** Sustainability pulse check and strategy derivation	13:00 – 14:00
5	**M2 - Review** Sustainability pulse check (Maturity check)	14:00 – 15:00 15:00 –15:15
5	**M2 - Sprint** Impact Analysis	15:15 – 16:30
6	Wrap-up Day 1 & Outlook Day 2	16:30 – 17:00

Questions & comments Coffee break All times given are indicative and may vary.

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Reflection
Questions?
Comments?

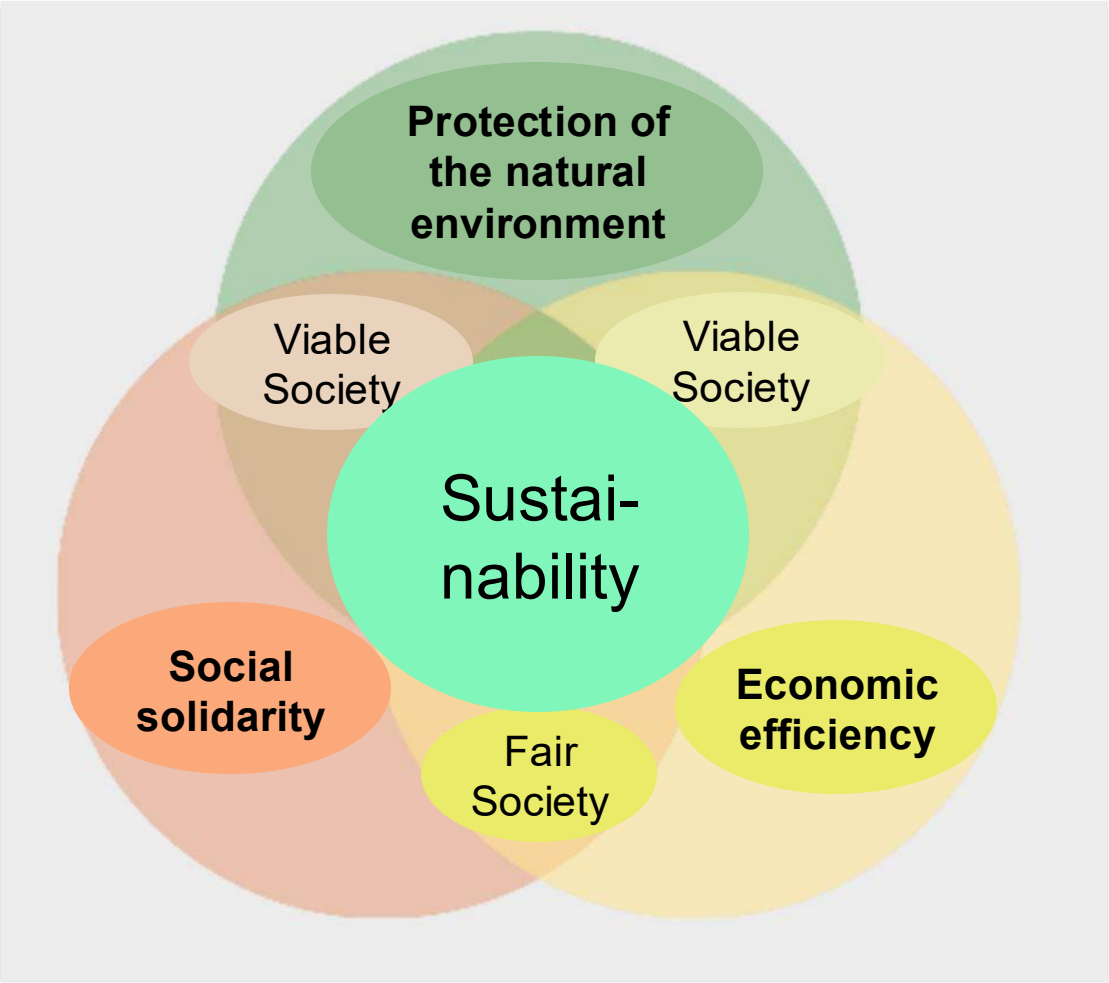
iPG
INNOVATE · PERFORM · GROW
Climate Change,
Ecological Footprint &
Sustainable Development Goals
(SGGs)

Sustainability is one of the megatrends of our time (1/2)

Sustainable management means harmonizing economic, ecological, and social goals and optimizing them together

- Sustainability is usually defined using the **three-circle** model
- **Sustainable management means**
  - **economic,**
  - **ecological, and**
  - **social goals**
- **in harmony with one another and optimising them together (intersection)**

Definition of sustainability using the "three-circle model"



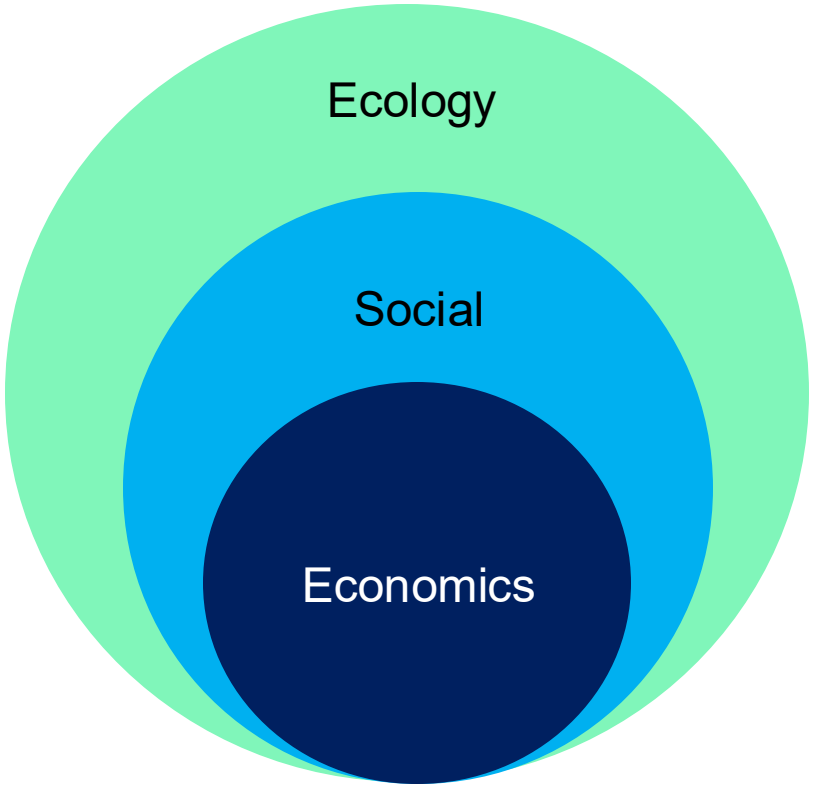
CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Sustainability is one of the megatrends of our time (2/2)

Sustainable management means harmonizing economic, ecological, and social goals and optimizing them together

- The three dimensions are now often represented as "**nested** circles" to illustrate their **interdependence and prioritization** even more clearly
- **Three interlocking circles**,
  - the ***economic circle*** is nested within the ***social circle***, and the resulting socio-economic circles are in turn nested within the ***environmental circle***
- The **size** of the ecology circle illustrates its special significance in comparison to the other two

Ecology and social issues take priority over economic objectives



Existing conflicts of interest must be resolved

Source: IPG Research

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

What exactly are CSR and sustainable procurement?

CSR = Corporate Social Responsibility …

« Corporate social responsibility (CSR) is a concept whereby companies integrate **social and environmental concerns** in their business operations and in their interaction with their stakeholders **on *a voluntary basis***.» European Commission (2011)

Sustainable procurement…

«Procurement that **resolves the conflicts of interest** between economical, social and ecological objectives and that **makes the value contribution of sustainability transparent** in an integrated target and key performance indicator system.» (Carsten Vollrath)

«Procurement that **resolves the classical first-sight conflict**: *I can buy cheap or I can by sustainable but expensive*.» (Carsten Vollrath)

Book announcement - coming soon

Source: IPG, EU

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

The Paris Agreement of 2015 is considered a milestone in global climate protection

Dec. 2015

The Paris Agreement has three objectives:

1. The countries have set a global goal of limiting global warming to "well below" two degrees Celsius **compared to pre-industrial levels**, with efforts to **limit** it **to 1.5 degrees Celsius.**
2. The **ability to adapt to climate change** is to **be strengthened** and established as an equal goal alongside the **reduction of greenhouse gas emissions**.
3. In addition, **financial flows** are to be **aligned with climate goals**.

Sustainable Development Goals (SGGs)

The global Agenda 2030 responds to the major challenges

in 2015

International community agrees on 17 globally applicable goals

Vision of a more sustainable world

https://www.youtube.com/watch?v=Tu-ijw4dLzo

The **UN Sustainable Development Goals (SDGs)**, adopted in **2015** as part of the **2030 Agenda for Sustainable Development**, were created to build on the earlier **Millennium Development Goals (MDGs)** and aim to provide a **universal blueprint** for ending poverty, protecting the planet, and ensuring peace and prosperity for all by **2030**.

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

SDGs – Goals in detail (1/3)

End poverty in all its forms everywhere.
Key areas of focus: including poverty prevention, poverty-proof old-age provision, minimum income through a socio-cultural minimum standard of living, affordable housing

End hunger, achieve food security and improved nutrition, and promote sustainable agriculture.
Key areas: including promoting organic farming and awareness of good nutrition.

Ensure healthy lives and promote well-being for all people of all ages.
Key areas: including prevention through health education, strengthening health systems, linking health and environmental protection

Ensure inclusive, equitable, and high-quality education and promote lifelong learning opportunities for all.
Key areas: including effective education systems for all ages, education for sustainable development

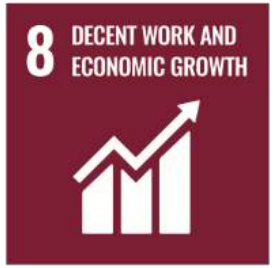
Achieve gender equality and empower all women and girls.
Key areas: including equal participation of women in the labor market, equal educational opportunities, combating violence against women and girls

Ensure availability and sustainable management of water and sanitation for all.
Key areas: protection of ground, surface and coastal waters, access to clean and affordable drinking water, sanitation and hygiene, among others.

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

SDGs – Goals in detail (2/3)

Ensure access to affordable, reliable, sustainable, and modern energy for all.
Key areas: including increasing energy efficiency and the share of renewable energies, intensifying energy research and development



Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.
Key areas: promoting socially and environmentally compatible economic growth, decoupling economic growth from resource consumption, establishing CSR as an integral part of management

Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.
Key areas of focus include promoting research and development for sustainable innovation through cooperation in all economic sectors and increasing internal innovation.

Reducing inequality within and between countries.
Key areas: including fair distribution of wealth and income, equal opportunities, freedom from discrimination

Making cities and settlements inclusive, safe, resilient, and sustainable.
Key areas: strengthening inter-municipal exchange and cooperation, accessibility, promoting sustainable mobility, limiting land sealing

Ensuring sustainable consumption and production patterns. Key areas: resource efficiency, waste prevention, promoting sustainable consumption, increasing the market share of products with government eco-labels, etc.

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

SDGs – Goals in detail (3/3)

Take immediate action to combat climate change and its effects. Key areas include: reducing direct and indirect greenhouse gas emissions, continuing the energy transition, climate adaptation measures for buildings and infrastructure

Preserve and sustainably use oceans, seas, and marine resources for sustainable development.
Key areas: including reducing nutrient inputs into water bodies, promoting organic farming, preventing marine litter, and sustainable fisheries.

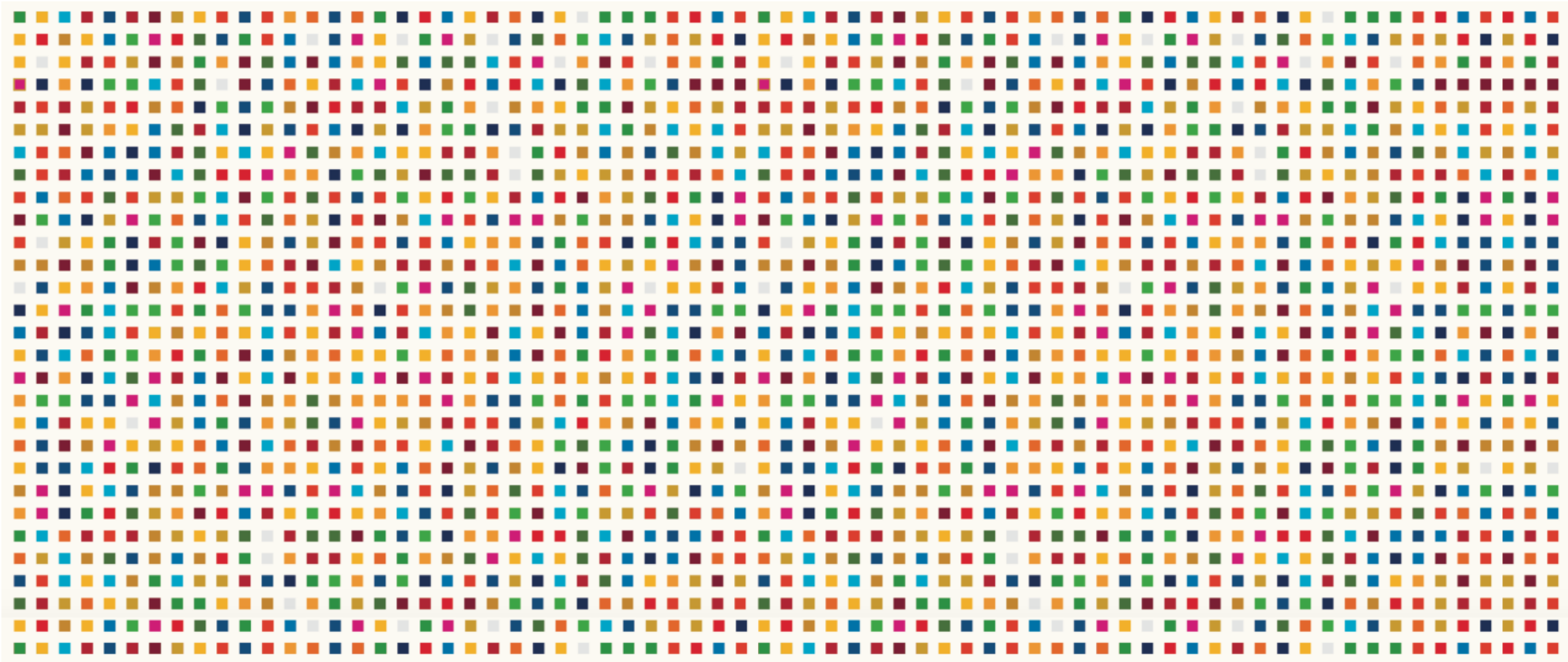
Protecting and restoring terrestrial ecosystems and promoting their sustainable use, sustainably managing forests, combating desertification, halting and reversing land degradation, and halting biodiversity loss.
Key areas: including protecting biodiversity and soil resources, sustainable forest management, and renaturation of rivers and floodplains

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.
Key areas: include non-violent conflict resolution, prevention of abuse of power structures, participation and inclusion, protection of human rights, integrity

Strengthen the means of implementation and revitalize the global partnership for sustainable development.
Key areas: fair and partnership-based international cooperation, cooperative development cooperation, etc.

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

The global sustainability goals are supported by 169 sub-goals and 232 indicators to measure progress toward achieving the goals.

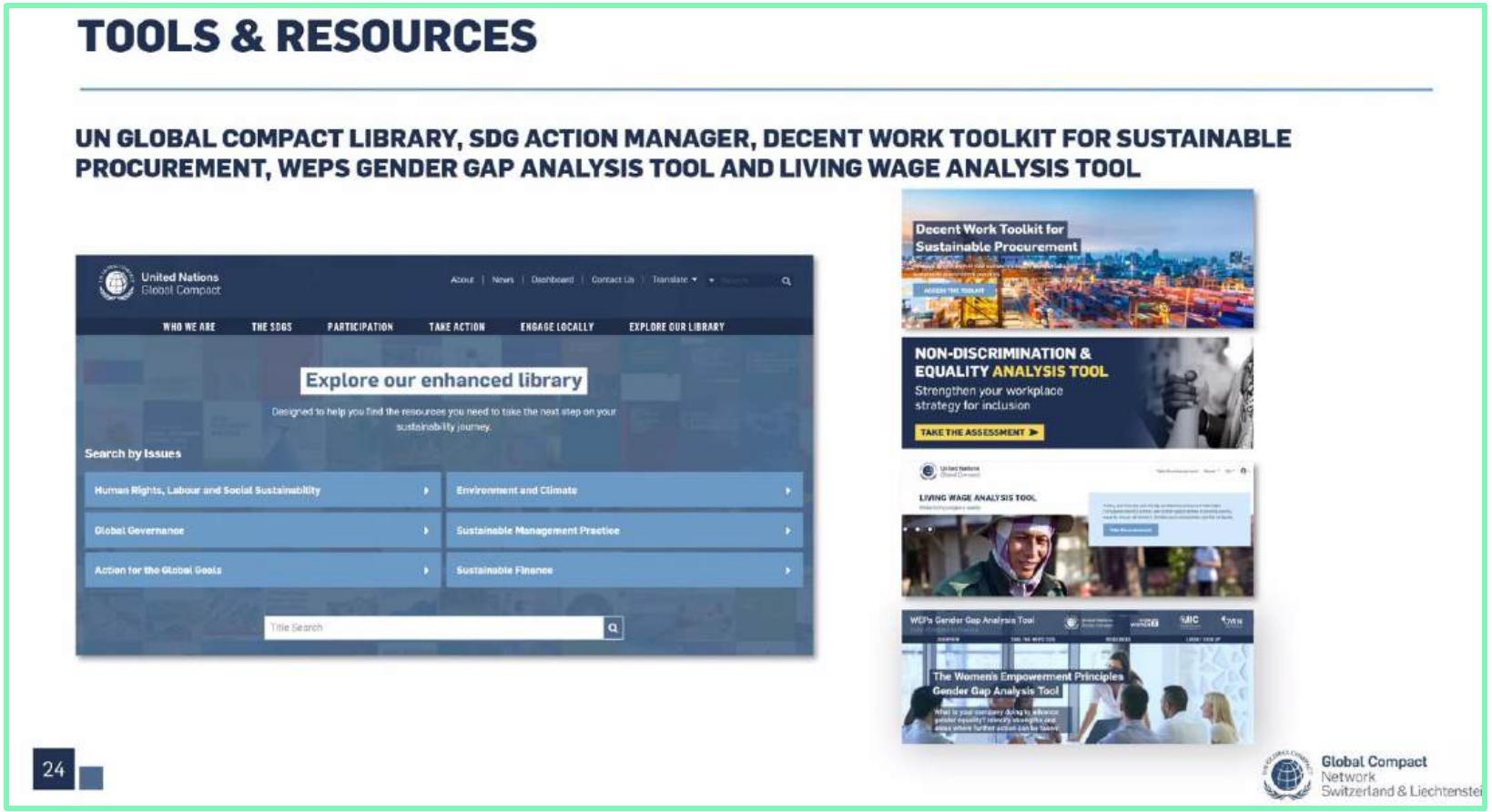


https://sdg-indikatoren.de/en/

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

UN Global Compact – Sustainability community

The **UN Global Compact** is a voluntary United Nations initiative that encourages companies worldwide to align their strategies and operations with **ten universal principles** on human rights, labor, environment, and anti-corruption, and to take action in support of broader **UN Sustainable Development Goals (SDGs)**.



https://unglobalcompact.org/engage-locally/europe

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

1 NO POVERTY

TARGET 1·1

ERADICATE EXTREME POVERTY

TARGET 1·2

REDUCE POVERTY BY AT LEAST 50%

TARGET 1·3

IMPLEMENT SOCIAL PROTECTION SYSTEMS

TARGET 1·4

EQUAL RIGHTS TO OWNERSHIP, BASIC SERVICES, TECHNOLOGY AND ECONOMIC RESOURCES

TARGET 1·5

BUILD RESILIENCE TO ENVIRONMENTAL, ECONOMIC AND SOCIAL DISASTERS

TARGET 1·A

MOBILIZE RESOURCES TO IMPLEMENT POLICIES TO END POVERTY

TARGET 1·B

CREATE PRO-POOR AND GENDER-SENSITIVE POLICY FRAMEWORKS

TARGET 2·1

UNIVERSAL ACCESS TO SAFE AND NUTRITIOUS FOOD

TARGET 2·2

END ALL FORMS OF MALNUTRITION

2 ZERO HUNGER

TARGET 2·3

DOUBLE THE PRODUCTIVITY AND INCOMES OF SMALL-SCALE FOOD PRODUCERS

TARGET 2·4

SUSTAINABLE FOOD PRODUCTION AND RESILIENT AGRICULTURAL PRACTICES

TARGET 2·5

MAINTAIN THE GENETIC DIVERSITY IN FOOD PRODUCTION

TARGET 2·A

INVEST IN RURAL INFRASTRUCTURE, AGRICULTURAL RESEARCH, TECHNOLOGY AND GENE BANKS

TARGET 2·B

PREVENT AGRICULTURAL TRADE RESTRICTIONS, MARKET DISTORTIONS AND EXPORT SUBSIDIES

TARGET 2·C

ENSURE STABLE FOOD COMMODITY MARKETS AND TIMELY ACCESS TO INFORMATION

3 GOOD HEALTH AND WELL-BEING

TARGET 3·1

REDUCE MATERNAL MORTALITY

TARGET 3·2

END ALL PREVENTABLE DEATHS UNDER 5 YEARS OF AGE

TARGET 3·3

FIGHT COMMUNICABLE DISEASES

TARGET 3·4

REDUCE MORTALITY FROM NON-COMMUNICABLE DISEASES AND PROMOTE MENTAL HEALTH

TARGET 3·6

REDUCE ROAD INJURIES AND DEATHS

TARGET 3·5

PREVENT AND TREAT SUBSTANCE ABUSE

TARGET 3·9

REDUCE ILLNESSES AND DEATH FROM HAZARDOUS CHEMICALS AND POLLUTION

TARGET 3·7

UNIVERSAL ACCESS TO SEXUAL AND REPRODUCTIVE CARE, FAMILY PLANNING AND EDUCATION

TARGET 3·8

ACHIEVE UNIVERSAL HEALTH COVERAGE

TARGET 3·D

IMPROVE EARLY WARNING SYSTEMS FOR GLOBAL HEALTH RISKS

TARGET 3·A

IMPLEMENT THE WHO FRAMEWORK CONVENTION ON TOBACCO CONTROL

TARGET 3·B

SUPPORT RESEARCH, DEVELOPMENT AND UNIVERSAL ACCESS TO AFFORDABLE VACCINES AND MEDICINES

TARGET 3·C

INCREASE HEALTH FINANCING AND SUPPORT HEALTH WORKFORCE IN DEVELOPING COUNTRIES

4 QUALITY EDUCATION

TARGET 4·1

FREE PRIMARY AND SECONDARY EDUCATION

TARGET 4·2

EQUAL ACCESS TO QUALITY PRE-PRIMARY EDUCATION

TARGET 4·3

EQUAL ACCESS TO AFFORDABLE TECHNICAL, VOCATIONAL AND HIGHER EDUCATION

TARGET 4·4

INCREASE THE NUMBER OF PEOPLE WITH RELEVANT SKILLS FOR FINANCIAL SUCCESS

TARGET 4·5

ELIMINATE ALL DISCRIMINATION IN EDUCATION

TARGET 4·6

UNIVERSAL LITERACY AND NUMERACY

TARGET 4·7

EDUCATION FOR SUSTAINABLE DEVELOPMENT AND GLOBAL CITIZENSHIP

TARGET 4·A

BUILD AND UPGRADE INCLUSIVE AND SAFE SCHOOLS

TARGET 4·B

EXPAND HIGHER EDUCATION SCHOLARSHIPS FOR DEVELOPING COUNTRIES

TARGET 4·C

INCREASE THE SUPPLY OF QUALIFIED TEACHERS IN DEVELOPING COUNTRIES

5 GENDER EQUALITY

TARGET 5·1

END DISCRIMINATION AGAINST WOMEN AND GIRLS

TARGET 5·2

END ALL VIOLENCE AGAINST AND EXPLOITATION OF WOMEN AND GIRLS

TARGET 5·3

ELIMINATE FORCED MARRIAGES AND GENITAL MUTILATION

TARGET 5·5

ENSURE FULL PARTICIPATION IN LEADERSHIP AND DECISION-MAKING

TARGET 5·4

VALUE UNPAID CARE AND PROMOTE SHARED DOMESTIC RESPONSIBILITIES

TARGET 5·6

UNIVERSAL ACCESS TO REPRODUCTIVE HEALTH AND RIGHTS

TARGET 5·A

EQUAL RIGHTS TO ECONOMIC RESOURCES, PROPERTY OWNERSHIP AND FINANCIAL SERVICES

TARGET 5·B

PROMOTE EMPOWERMENT OF WOMEN THROUGH TECHNOLOGY

TARGET 5·C

ADOPT AND STRENGTHEN POLICIES AND ENFORCEABLE LEGISLATION FOR GENDER EQUALITY

6 CLEAN WATER AND SANITATION

TARGET 6·1

SAFE AND AFFORDABLE DRINKING WATER

TARGET 6·2

END OPEN DEFECATION AND PROVIDE ACCESS TO SANITATION AND HYGIENE

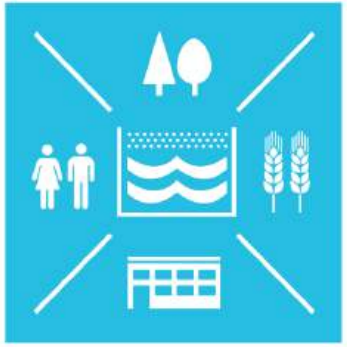
TARGET 6·3

IMPROVE WATER QUALITY, WASTEWATER TREATMENT AND SAFE REUSE

TARGET 6·4

INCREASE WATER-USE EFFICIENCY AND ENSURE FRESHWATER SUPPLIES

TARGET 6·5



IMPLEMENT INTEGRATED WATER RESOURCES MANAGEMENT

TARGET 6·6

PROTECT AND RESTORE WATER-RELATED ECOSYSTEMS

TARGET 6·A

EXPAND WATER AND SANITATION SUPPORT TO DEVELOPING COUNTRIES

TARGET 6·B

SUPPORT LOCAL ENGAGEMENT IN WATER AND SANITATION MANAGEMENT

7 AFFORDABLE AND CLEAN ENERGY

TARGET 7·1

UNIVERSAL ACCESS TO MODERN ENERGY

TARGET 7·2

INCREASE GLOBAL PERCENTAGE OF RENEWABLE ENERGY

TARGET 7·3

DOUBLE THE IMPROVEMENT IN ENERGY EFFICIENCY

TARGET 7·A

PROMOTE ACCESS TO RESEARCH, TECHNOLOGY AND INVESTMENTS IN CLEAN ENERGY

TARGET 7·B

EXPAND AND UPGRADE ENERGY SERVICES FOR DEVELOPING COUNTRIES

8 DECENT WORK AND ECONOMIC GROWTH

TARGET 8·1

SUSTAINABLE ECONOMIC GROWTH

TARGET 8·2

DIVERSIFY, INNOVATE AND UPGRADE FOR ECONOMIC PRODUCTIVITY

TARGET 8·3

PROMOTE POLICIES TO SUPPORT JOB CREATION AND GROWING ENTERPRISES

TARGET 8·4

IMPROVE RESOURCE EFFICIENCY IN CONSUMPTION AND PRODUCTION

TARGET 8·5

FULL EMPLOYMENT AND DECENT WORK WITH EQUAL PAY

TARGET 8·6

PROMOTE YOUTH EMPLOYMENT, EDUCATION AND TRAINING

TARGET 8·7

END MODERN SLAVERY, TRAFFICKING AND CHILD LABOUR

TARGET 8·8

PROTECT LABOUR RIGHTS AND PROMOTE SAFE WORKING ENVIRONMENTS

TARGET 8·9

PROMOTE BENEFICIAL AND SUSTAINABLE TOURISM

TARGET 8·10

UNIVERSAL ACCESS TO BANKING, INSURANCE AND FINANCIAL SERVICES

TARGET 8·A

INCREASE AID FOR TRADE SUPPORT

TARGET 8·B

DEVELOP A GLOBAL YOUTH EMPLOYMENT STRATEGY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

TARGET 9·1

DEVELOP SUSTAINABLE, RESILIENT AND INCLUSIVE INFRASTRUCTURES

TARGET 9·A

FACILITATE SUSTAINABLE INFRASTRUCTURE DEVELOPMENT FOR DEVELOPING COUNTRIES

TARGET 9·B

SUPPORT DOMESTIC TECHNOLOGY DEVELOPMENT AND INDUSTRIAL DIVERSIFICATION

TARGET 9·2

PROMOTE INCLUSIVE AND SUSTAINABLE INDUSTRIALIZATION

TARGET 9·3

INCREASE ACCESS TO FINANCIAL SERVICES AND MARKETS

TARGET 9·4

UPGRADE ALL INDUSTRIES AND INFRASTRUCTURES FOR SUSTAINABILITY

TARGET 9·5

ENHANCE RESEARCH AND UPGRADE INDUSTRIAL TECHNOLOGIES

TARGET 9·C

UNIVERSAL ACCESS TO INFORMATION AND COMMUNICATIONS TECHNOLOGY

TARGET 10·1

REDUCE INCOME INEQUALITIES

TARGET 10·2

PROMOTE UNIVERSAL SOCIAL, ECONOMIC AND POLITICAL INCLUSION

TARGET 10·3

ENSURE EQUAL OPPORTUNITIES AND END DISCRIMINATION

TARGET 10·4

ADOPT FISCAL AND SOCIAL POLICIES THAT PROMOTES EQUALITY

TARGET 10·5

IMPROVED REGULATION OF GLOBAL FINANCIAL MARKETS AND INSTITUTIONS

TARGET 10·6

ENHANCED REPRESENTATION FOR DEVELOPING COUNTRIES IN FINANCIAL INSTITUTIONS

TARGET 10·7

RESPONSIBLE AND WELL-MANAGED MIGRATION POLICIES

TARGET 10·A

SPECIAL AND DIFFERENTIAL TREATMENT FOR DEVELOPING COUNTRIES

TARGET 10·B

ENCOURAGE DEVELOPMENT ASSISTANCE AND INVESTMENT IN LEAST DEVELOPED COUNTRIES

TARGET 10·C

REDUCE TRANSACTION COSTS FOR MIGRANT REMITTANCES

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

TARGET 11·1

SAFE AND AFFORDABLE HOUSING

TARGET 11·2

AFFORDABLE AND SUSTAINABLE TRANSPORT SYSTEMS

TARGET 11·3

INCLUSIVE AND SUSTAINABLE URBANIZATION

TARGET 11·4

PROTECT THE WORLD'S CULTURAL AND NATURAL HERITAGE

TARGET 11·5

REDUCE THE ADVERSE EFFECTS OF NATURAL DISASTERS

TARGET 11·6

REDUCE THE ENVIRONMENTAL IMPACT OF CITIES

TARGET 11·7

PROVIDE ACCESS TO SAFE AND INCLUSIVE GREEN AND PUBLIC SPACES

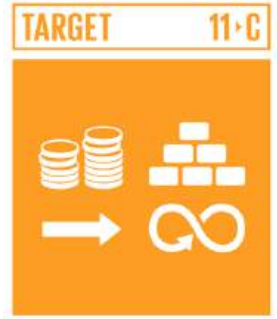
TARGET 11·A

STRONG NATIONAL AND REGIONAL DEVELOPMENT PLANNING

TARGET 11·B

IMPLEMENT POLICIES FOR INCLUSION, RESOURCE EFFICIENCY AND DISASTER RISK REDUCTION

TARGET 11·C



SUPPORT LEAST DEVELOPED COUNTRIES IN SUSTAINABLE AND RESILIENT BUILDING

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

TARGET 12·1

IMPLEMENT THE 10-YEAR SUSTAINABLE CONSUMPTION AND PRODUCTION FRAMEWORK

TARGET 12·2

SUSTAINABLE MANAGEMENT AND USE OF NATURAL RESOURCES

TARGET 12·3

HALVE GLOBAL PER CAPITA FOOD WASTE

TARGET 12·4

RESPONSIBLE MANAGEMENT OF CHEMICALS AND WASTE

TARGET 12·5

SUBSTANTIALLY REDUCE WASTE GENERATION

TARGET 12·6

ENCOURAGE COMPANIES TO ADOPT SUSTAINABLE PRACTICES AND SUSTAINABILITY REPORTING

TARGET 12·7

PROMOTE SUSTAINABLE PUBLIC PROCUREMENT PRACTICES

TARGET 12·8

PROMOTE UNIVERSAL UNDERSTANDING OF SUSTAINABLE LIFESTYLES

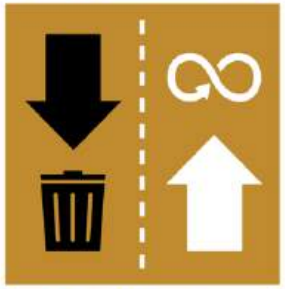
TARGET 12·A

SUPPORT DEVELOPING COUNTRIES' SCIENTIFIC AND TECHNOLOGICAL CAPACITY FOR SUSTAINABLE CONSUMPTION AND PRODUCTION

TARGET 12·B

DEVELOP AND IMPLEMENT TOOLS TO MONITOR SUSTAINABLE TOURISM

TARGET 12·C



REMOVE MARKET DISTORTIONS THAT ENCOURAGE WASTEFUL CONSUMPTION

13 CLIMATE ACTION

TARGET 13.A

UNFCCC

IMPLEMENT THE UN FRAMEWORK CONVENTION ON CLIMATE CHANGE

TARGET 13.B

PROMOTE MECHANISMS TO RAISE CAPACITY FOR CLIMATE PLANNING AND MANAGEMENT

TARGET 13.1

STRENGTHEN RESILIENCE AND ADAPTIVE CAPACITY TO CLIMATE RELATED DISASTERS

TARGET 13.3

BUILD KNOWLEDGE AND CAPACITY TO MEET CLIMATE CHANGE

TARGET 13.2

INTEGRATE CLIMATE CHANGE MEASURES INTO POLICIES AND PLANNING

TARGET 14·1

REDUCE MARINE POLLUTION

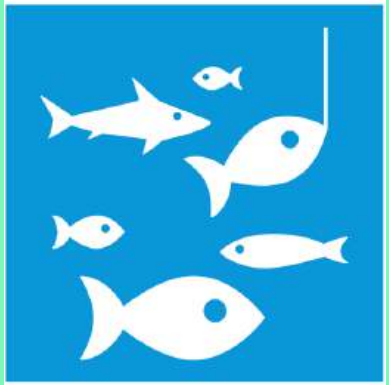
TARGET 14·2

PROTECT AND RESTORE ECOSYSTEMS

TARGET 14·3

REDUCE OCEAN ACIDIFICATION

TARGET 14·4



SUSTAINABLE FISHING

TARGET 14·5

CONSERVE COASTAL AND MARINE AREAS

TARGET 14·7

INCREASE THE ECONOMIC BENEFITS FROM SUSTAINABLE USE OF MARINE RESOURCES

TARGET 14·6

END SUBSIDIES CONTRIBUTING TO OVERFISHING

TARGET 14·C

IMPLEMENT AND ENFORCE INTERNATIONAL SEA LAW

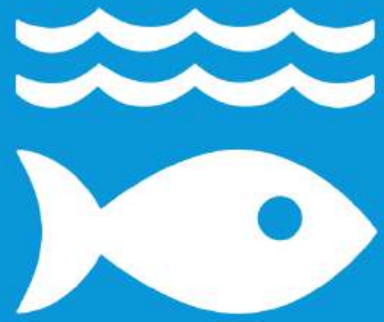
TARGET 14·A

INCREASE SCIENTIFIC KNOWLEDGE, RESEARCH AND TECHNOLOGY FOR OCEAN HEALTH

TARGET 14·B

SUPPORT SMALL SCALE FISHERS

14 LIFE BELOW WATER

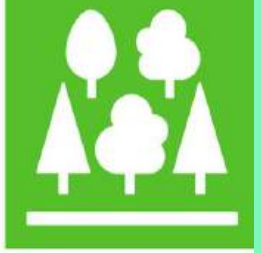


15 LIFE ON LAND

TARGET 15·1

CONSERVE AND RESTORE TERRESTRIAL AND FRESHWATER ECOSYSTEMS

TARGET 15·2



END DEFORESTATION AND RESTORE DEGRADED FORESTS

TARGET 15·3

END DESERTIFICATION AND RESTORE DEGRADED LAND

TARGET 15·4

ENSURE CONSERVATION OF MOUNTAIN ECOSYSTEMS

TARGET 15·5

PROTECT BIODIVERSITY AND NATURAL HABITATS

TARGET 15·6

PROMOTE ACCESS TO GENETIC RESOURCES AND FAIR SHARING OF THE BENEFITS

TARGET 15·7

ELIMINATE POACHING AND TRAFFICKING OF PROTECTED SPECIES

TARGET 15·8

PREVENT INVASIVE ALIEN SPECIES ON LAND AND IN WATER ECOSYSTEMS

TARGET 15·9

INTEGRATE ECOSYSTEM AND BIODIVERSITY IN GOVERNMENTAL PLANNING

TARGET 15·A

INCREASE FINANCIAL RESOURCES TO CONSERVE AND SUSTAINABLY USE ECOSYSTEMS AND BIODIVERSITY

TARGET 15·B

FINANCE AND INCENTIVIZE SUSTAINABLE FOREST MANAGEMENT

TARGET 15·C

COMBAT GLOBAL POACHING AND TRAFFICKING

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

TARGET 16·1

REDUCE VIOLENCE EVERYWHERE

TARGET 16·2

PROTECT CHILDREN FROM ABUSE, EXPLOITATION, TRAFFICKING AND VIOLENCE

TARGET 16·3

PROMOTE THE RULE OF LAW AND ENSURE EQUAL ACCESS TO JUSTICE

TARGET 16·4

COMBAT ORGANIZED CRIME AND ILLICIT FINANCIAL AND ARMS FLOWS

TARGET 16·5

SUBSTANTIALLY REDUCE CORRUPTION AND BRIBERY

TARGET 16·6

DEVELOP EFFECTIVE, ACCOUNTABLE AND TRANSPARENT INSTITUTIONS

TARGET 16·7

ENSURE RESPONSIVE, INCLUSIVE AND REPRESENTATIVE DECISION-MAKING

TARGET 16·8

STRENGHTEN THE PARTICIPATION IN GLOBAL GOVERNANCE

TARGET 16·9

PROVIDE UNIVERSAL LEGAL IDENTITY

TARGET 16·10

ENSURE PUBLIC ACCESS TO INFORMATION AND PROTECT FUNDAMENTAL FREEDOMS

TARGET 16·A

STRENGTHEN NATIONAL INSTITUTIONS TO PREVENT VIOLENCE AND COMBAT TERRORISM AND CRIME

TARGET 16·B

PROMOTE AND ENFORCE NON-DISCRIMINATORY LAWS AND POLICIE

17 PARTNERSHIPS FOR THE GOALS

TARGET 17·1

MOBILIZE RESOURCES TO IMPROVE DOMESTIC REVENUE COLLECTION

TARGET 17·2

IMPLEMENT ALL DEVELOPMENT ASSISTANCE COMMITMENTS

TARGET 17·3

MOBILIZE FINANCIAL RESOURCES FOR DEVELOPING COUNTRIES

TARGET 17·4

ASSIST DEVELOPING COUNTRIES IN ATTAINING DEBT SUSTAINABILITY

TARGET 17·5

INVEST IN LEAST DEVELOPED COUNTRIES

TARGET 17·6

KNOWLEDGE SHARING AND COOPERATION FOR ACCESS TO SCIENCE, TECHNOLOGY AND INNOVATION

TARGET 17·7

PROMOTE SUSTAINABLE TECHNOLOGIES TO DEVELOPING COUNTRIES

TARGET 17·8

STRENGTHEN THE SCIENCE, TECHNOLOGY AND INNOVATION CAPACITY FOR LEAST DEVELOPED COUNTRIES

TARGET 17·9

ENHANCE SDG CAPACITY IN DEVELOPING COUNTRIES

TARGET 17·10

PROMOTE A UNIVERSAL TRADING SYSTEM UNDER THE WTO

TARGET 17·11

INCREASE THE EXPORTS OF DEVELOPING COUNTRIES

TARGET 17·12

REMOVE TRADE BARRIERS FOR LEAST DEVELOPED COUNTRIES

TARGET 17·13

ENHANCE GLOBAL MACROECONOMIC STABILITY

TARGET 17·14

ENHANCE POLICY COHERENCE FOR SUSTAINABLE DEVELOPMENT

TARGET 17·15

RESPECT NATIONAL LEADERSHIP TO IMPLEMENT POLICIES FOR THE SUSTAINABLE DEVELOPMENT GOALS

TARGET 17·16

ENHANCE THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT

TARGET 17·17

ENCOURAGE EFFECTIVE PARTNERSHIPS

TARGET 17·18

ENHANCE AVAILABILITY OF RELIABLE DATA

TARGET 17·19

FURTHER DEVELOP MEASUREMENTS OF PROGRESS

#TOGETHERBAND

#TOGETHERBAND
Each of our different colored bands represents one of the UN's 17 Global Goals. They are available in two versions—Classic and Mini—and are sold in pairs.

BOTTLETOP
#TOGETHERBAND

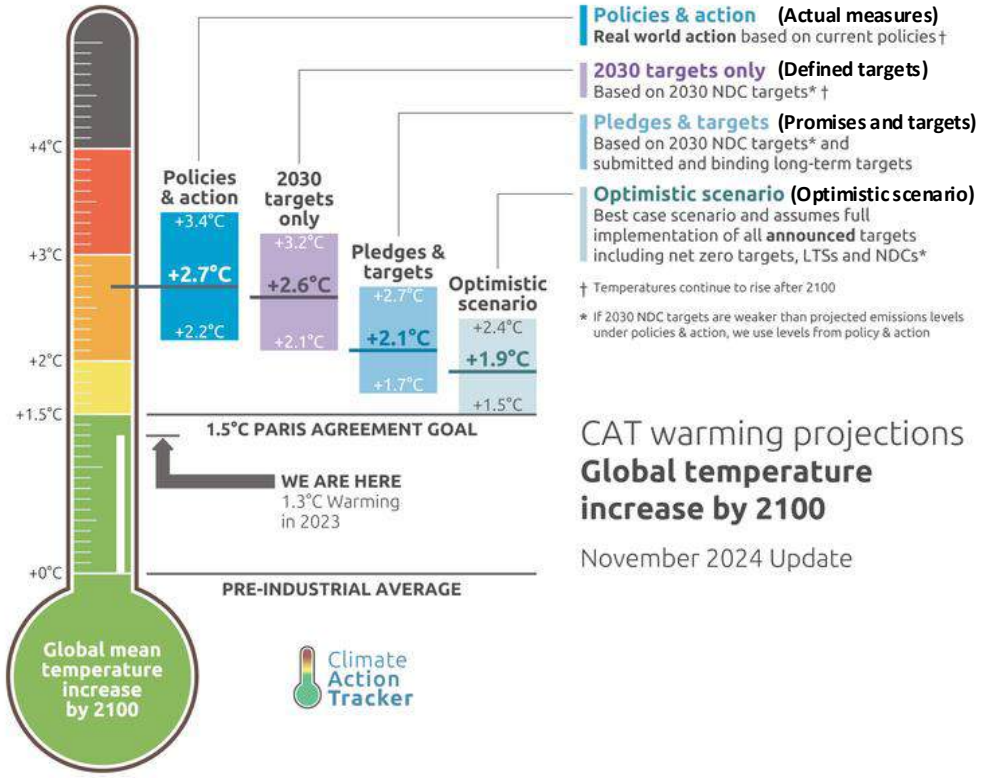
Our #TOGETHERBANDs are made from 100% Parley Ocean Plastic®, which is made from **upcycled plastic waste from marine areas**.

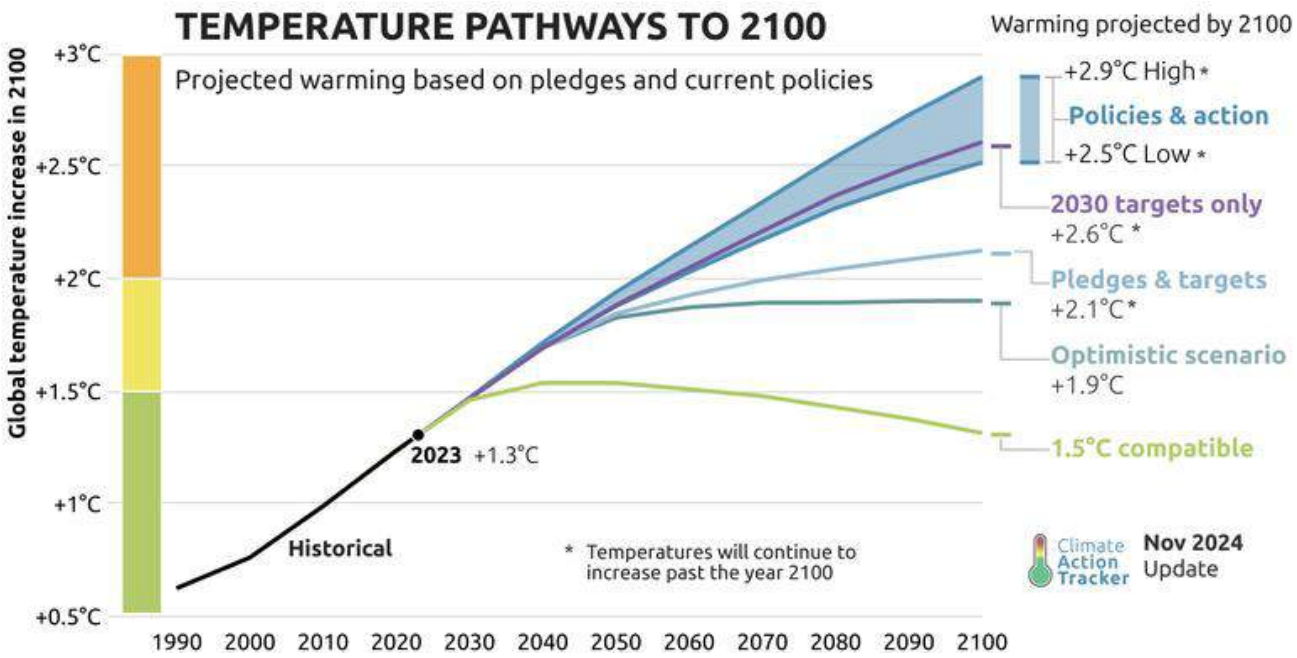
- When you buy a bracelet, 1kg of plastic is removed from the oceans.
- The clasp is made from **recycled metal from decommissioned firearms in Central America**.
- The proceeds are used to support the fight against gun violence.

Keyword: "Voluntary" – Current ambitions and defined reduction targets are far from sufficient – projections predict up to 3 degrees Celsius global warming by 2010

Nov 2024

Promises vs. actual measures





* LTSs – Long-Term Strategies, NDCs – Nationally Determined Contributions

Source: climateactiontracker.org

https://climateactiontracker.org/publications/the-climate-crisis-worsens-the-warming-outlook-stagnates/#

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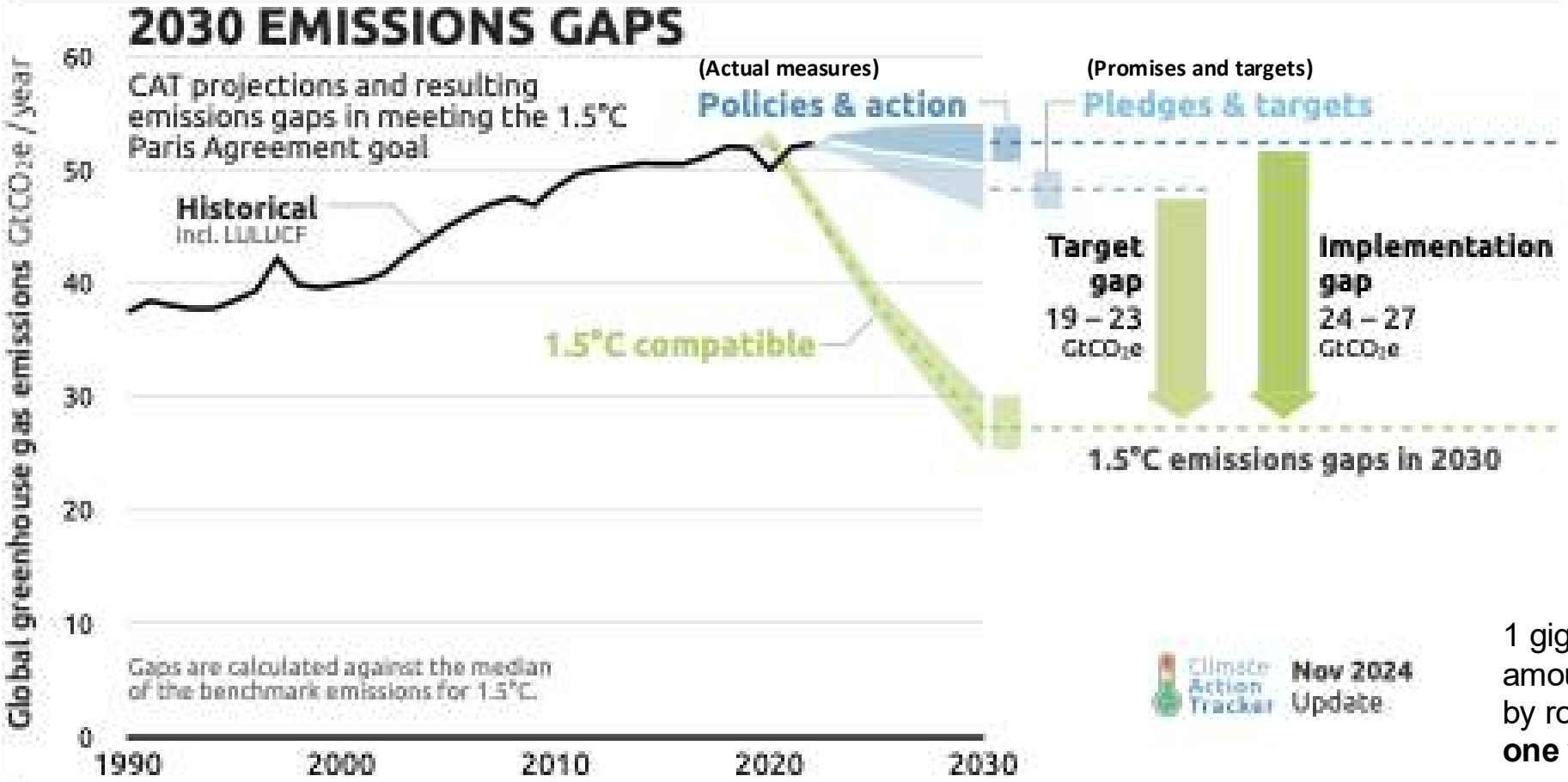
The emissions gap in 2030 for policy implementation remains at 24-27 GtCO2e

Nov. 2024



1 gigaton of CO_2 equals the amount of emissions produced by roughly **250 million cars in one year**

*** CO_2 equivalents (CO_2e) are a unit of measurement used to standardize the climate impact of different greenhouse gases. Gt stands for billion tons.**

Source: climateactiontracker.org

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Keyword "voluntary" – Current ambitions and reduction targets are far from sufficient

Jan. 2024

The **2015 Paris Climate Agreement** sets the goal of limiting **global warming to well below 2°C** and, if possible, to **1.5°C** above pre-industrial levels.

Predicted year for exceeding the 1.5°C limit:
According to **the** latest **IPCC reports (Intergovernmental Panel on Climate Change)**, the **1.5°C mark** could be exceeded **as early as between 2030 and 2035** if emissions are not drastically reduced.

Important scenarios:

- **Without additional climate protection measures**: 1.5°C exceeded by **2030**
- **With moderate climate protection measures**: 1.5°C between **2035 and 2040**
- **With ambitious measures**: limiting the increase to 1.5°C remains possible

Conclusion
The Paris target requires **immediate and drastic CO_2 reductions**, as current developments show that we could reach the critical threshold **within the next 5–10 years**.

Source: climateactiontracker.org

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West Antarctica – Ice shelf probably beyond saving

Oct. 2023

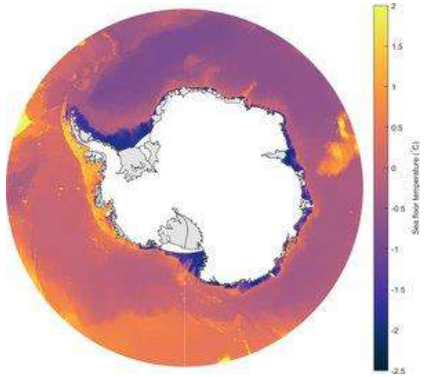
October 24, 2023

- **The foothills of glaciers and ice sheets in the Amundsen Sea are likely to melt completely**
- This is the conclusion reached by researchers in a study published in the journal Nature.
- According to the study**,** the ice shelf in the marginal sea in **West Antarctica cannot be saved even if climate protection measures succeed in limiting global warming to 1.5 degrees Celsius.**
- The researchers explain this as follows: In the coming decades, **more and more warm seawater** will flow **into the region** and hollow out the ice shelf from below. This will also cause **sea levels to rise significantly**. The estimated rise is approximately 4-5 meters

The huge Antarctic continent is surrounded by floating ice shelves up to 1,000 meters thick. The Antarctic ice shelves slow down the flow of ice into the oceans. The formation of lakes on their surface makes them more unstable. (imago images / ZUMA Wire / MODIS)

Further note:
According to recent studies, the Greenland ice sheet (Arctic) is melting at a rate of 30 million tons of ice per hour. This alone accounts for 30% of the global sea level rise.

Ice shelves are melting mainly in the west



Water temperature around Antarctica

Source: IPG Research

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A sea level rise of 5 meters would flood an estimated 2 to 3% of the Earth's total land area.

A sea level rise of **5 meters** would flood an estimated **2 to 3%** of the Earth's total land area.

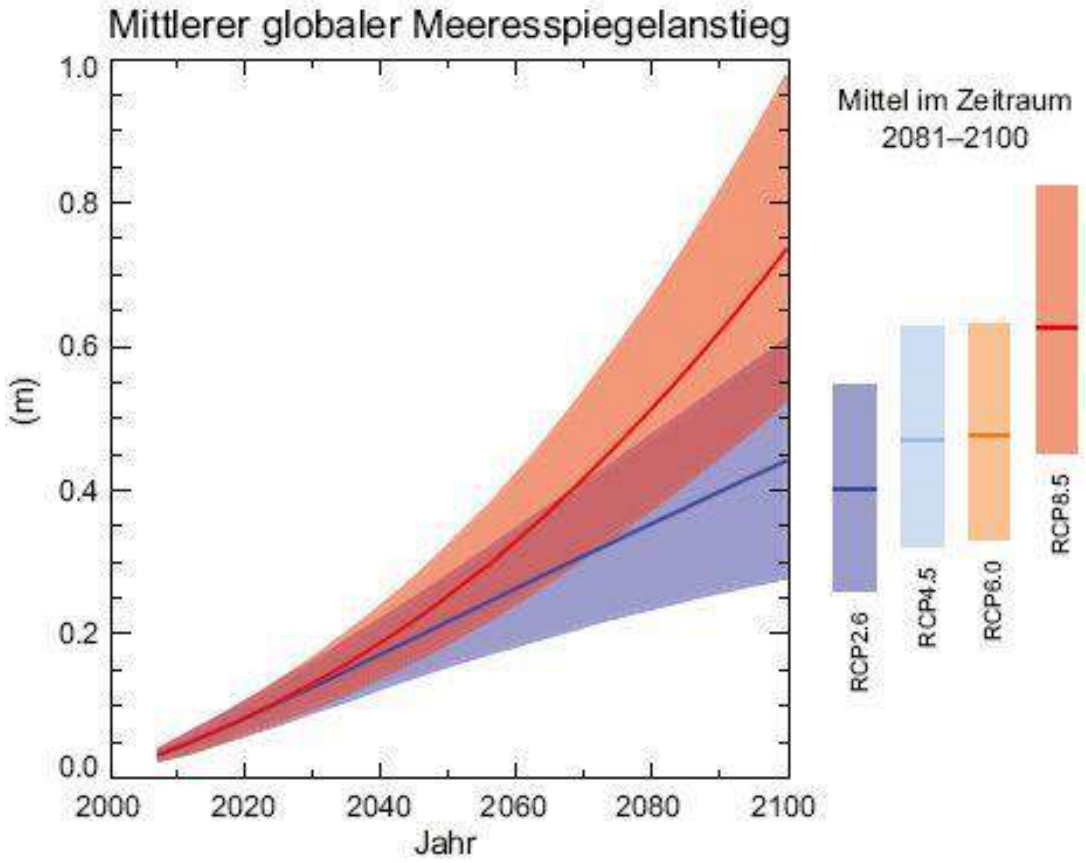
This corresponds to an area of approximately **3 to 4 million km²**.

Affected regions:

- **Coastal areas worldwide**: Particularly flat coastal regions, estuaries, and island states would be severely affected.
- **Large cities**: Metropolises such as New York, London, Shanghai, Miami, Amsterdam, and Dhaka would be partially flooded.
- **Low-lying countries**: Countries such as Bangladesh, the Netherlands, parts of Vietnam, Egypt, and Pacific island states are particularly at risk.

Although 2–3% may seem small at first glance, it would force **hundreds of millions of people** worldwide to relocate and cause enormous economic damage.

Old forecast from 2013...



© IPCC (2013): Summary for policymakers

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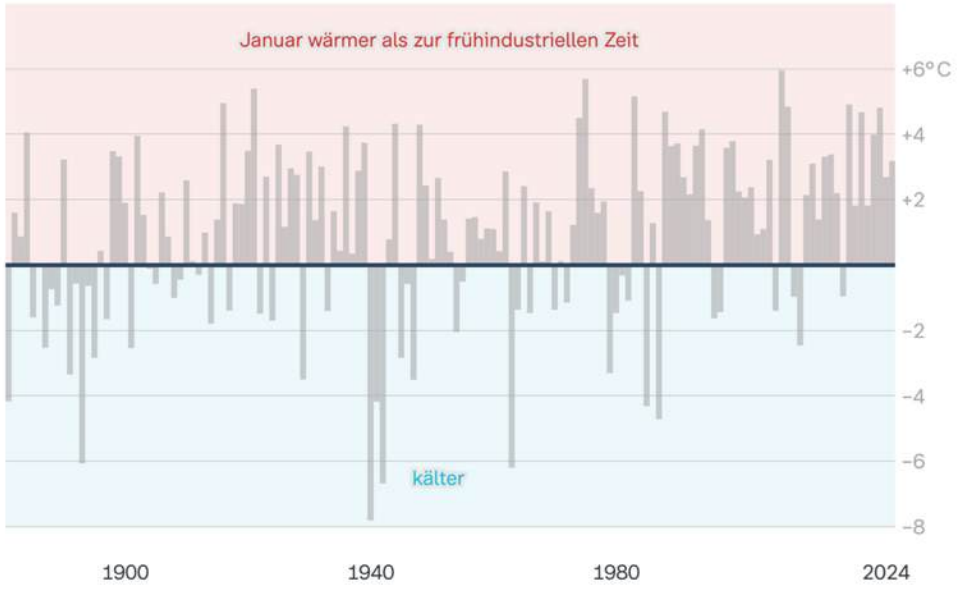
January 2025 was the warmest first month of the year on record

02/06/2025

Jan. 2025

Global warming:

- January this year was **the warmest first month of the year ever recorded**
- The global temperature was **1.75 degrees above the pre-industrial level** for January, according to the climate change service of the EU's Copernicus program
- January 2025 was also **the 18th month in a 19-month period** in which the temperature was 1.5 degrees above pre-industrial levels
- The 1.5-degree target of [the Paris]() Climate Agreement **will only be considered missed** if the temperature is exceeded over a **longer period of time**



Datenstand: 02.02.25 (Monatliche Aktualisierung)
**Im Vergleich zum langjährigen Mittelwert von 1881-1910*
Grafik: ZDFheute • Quelle: Deutscher Wetterdienst, eigene Berech

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Climate Change – Take-aways

Remember:

«Procurement that **resolves the classical first-sight conflict**:

I can buy cheap or I can by sustainable but expensive.»

Climate change is causing supply chain disruptions and shortages (e.g., due to droughts and flooding).

Supply chain disruptions cost companies a great deal of money to maintain security of supply.

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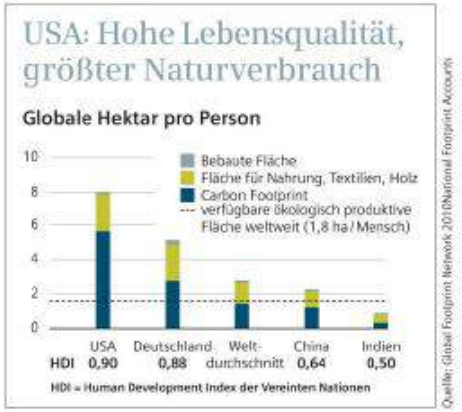
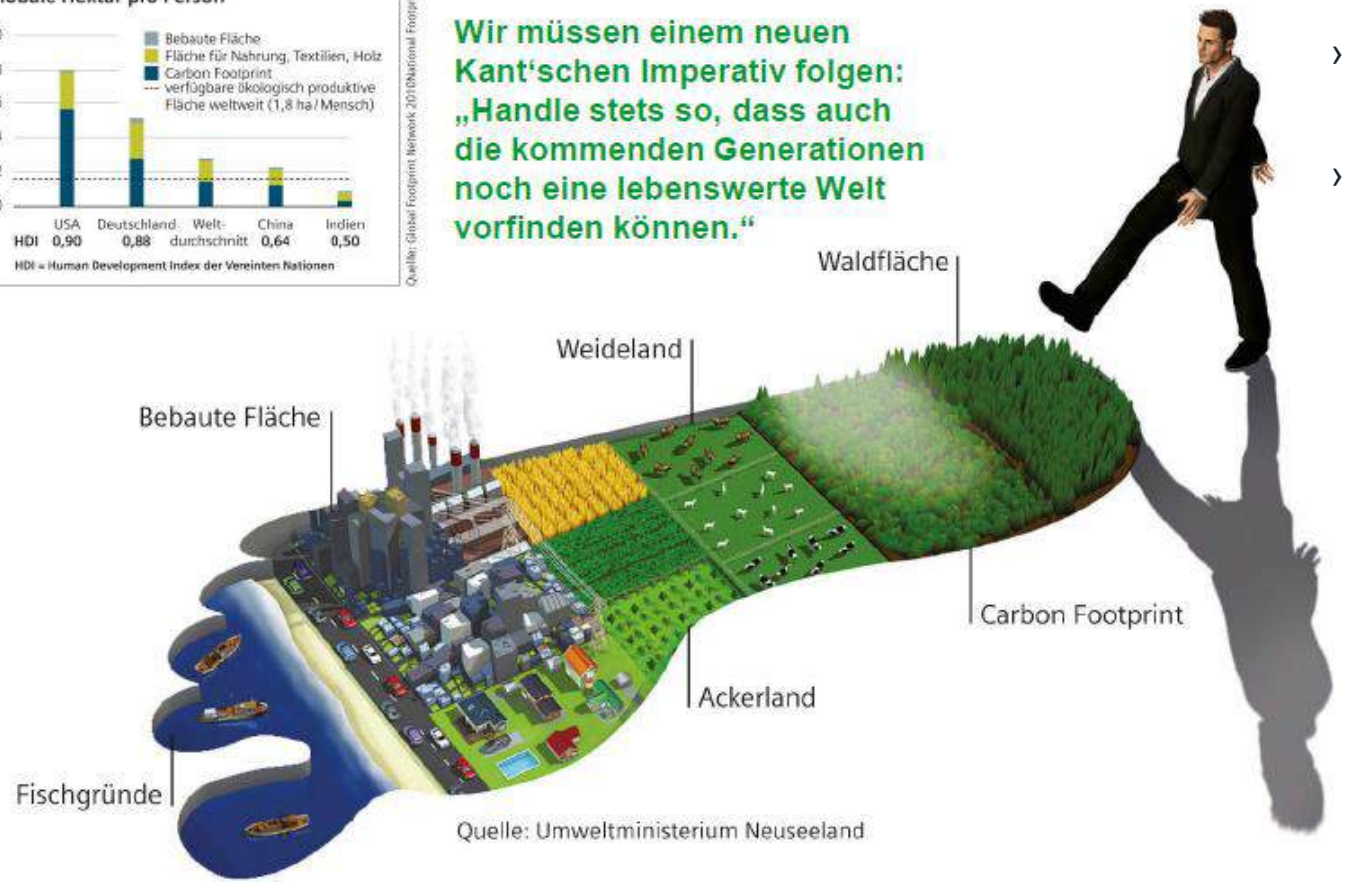
If we continue with "business as usual," we will need three Earths by 2050





- The "**ecological footprint**" is a handy measure of how much of nature we use.
- It covers **the land and water** needed to meet our resource consumption and absorb our waste
- If, for example, everyone lived like we do here in Austria, Germany, or Switzerland, we would **need** the **resources of THREE planets**

Sustainable Procurement helps ensure that future generations have the opportunity to shape a future in which humans and nature live in harmony

Source: "Ecological Footprint" according to Mathis Wackernagel, Global Footprint Network, Oakland, Basel Living Planet Report

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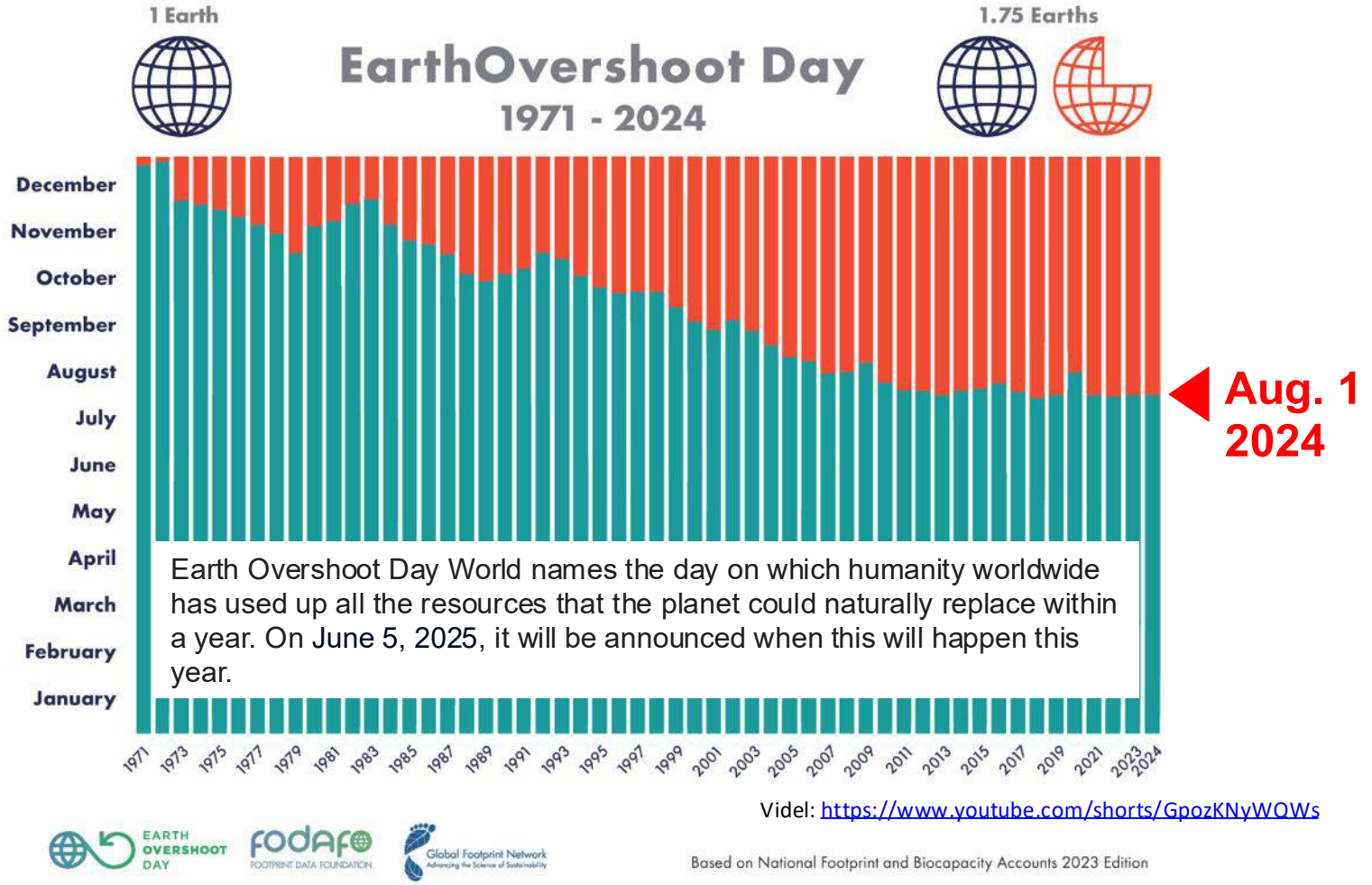
Earth Overshoot Day – The current situation

We consume more ecological resources and services than nature can regenerate by overfishing, deforesting too much, and emitting more carbon dioxide into the atmosphere than forests can store.

Earth Overshoot Day

August 1, 2024

- Earth Overshoot Day marks the **day in 2024** when **humanity's global ecological footprint** (i.e., our consumption of resources) exceeds the **annual renewable biocapacity**.
- From this day on, we live **on credit** for the rest of the year – we consume more than the Earth can regenerate.



Source: "https://www.overshootday.org/newsroom/infographics/

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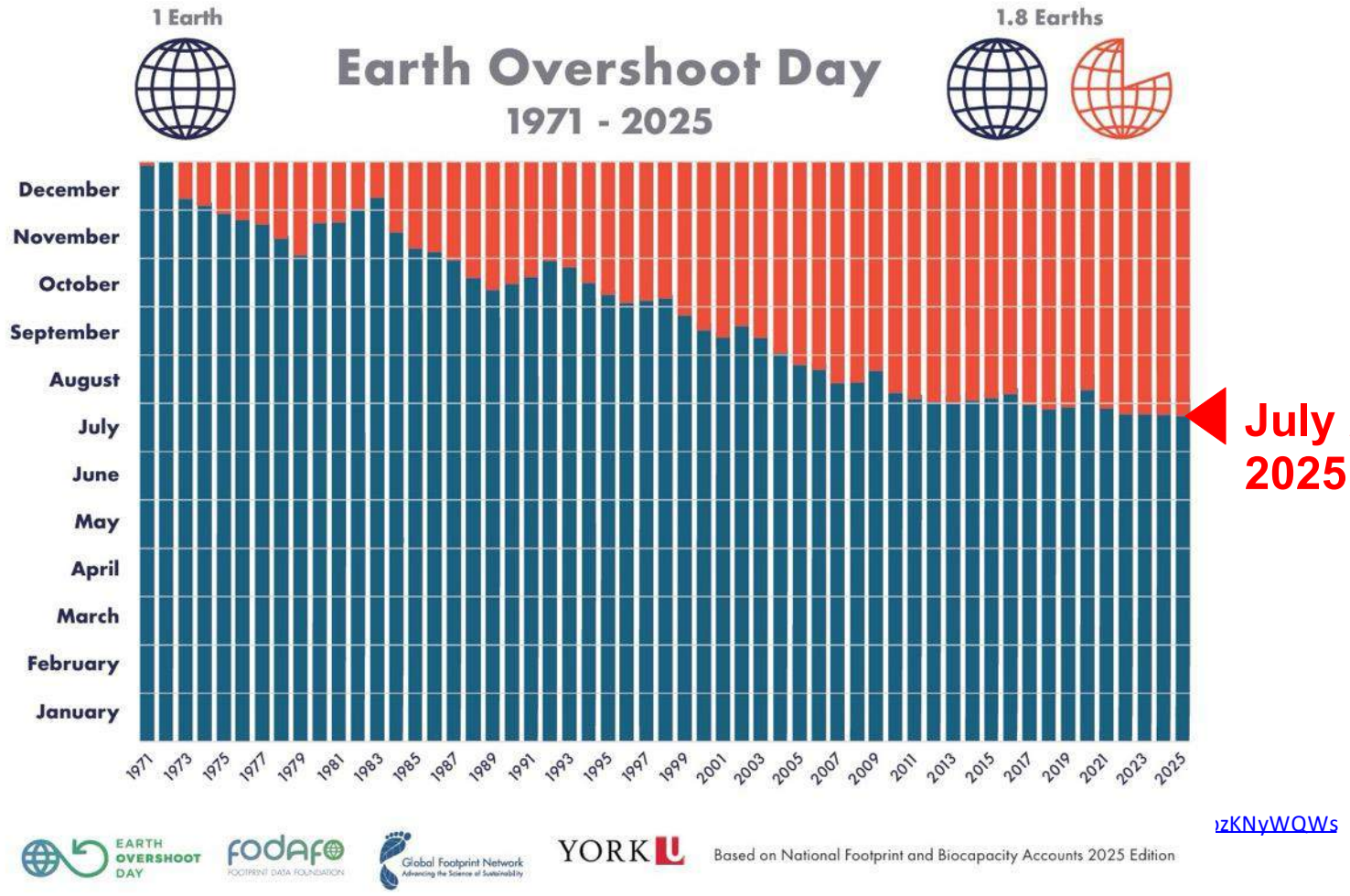
Earth Overshoot Day – The current situation

We consume more ecological resources and services than nature can regenerate by overfishing, deforesting too much, and emitting more carbon dioxide into the atmosphere than forests can store.

Earth Overshoot Day

July

- Earth Overshoot Day marks the **day in 2025** when **humanity's global ecological footprint** (i.e., our consumption of resources) exceeds the **annual renewable biocapacity**.
- From this day onwards, we live **on credit** for the rest of the year – we consume more than the Earth can regenerate.



Source: "https://www.overshootday.org/newsroom/infographics/

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The Story of Nauru: The "Country that Ate ilself» (1/2)

What happens when you eat up your natural (= annual renewable) resources…?

For decades, the inhabitants of the small Pacific island of Nauru enjoyed a carefree life of prosperity. When the foundation of their economy collapsed, that changed abruptly. What lessons can be learned from this?

White sandy beaches, a breathtaking underwater world, and year-round temperatures around 27 degrees Celsius: Nauru has all the makings of a tropical paradise. And for a long time, that's exactly what the tiny Pacific island nation was for its approximately 10,000 inhabitants. **In the mid-1970s, the annual per capita income was estimated at US$50,000 – second only to Saudi Arabia worldwide.** By comparison, each German earned only around US$6,000 in 1975.

Until the early 2000s, the inhabitants of Nauru lived carefree lives: medical care was free, as were other public services, and there were virtually no taxes. On average, each household had a yacht and several cars – even though there are less than 30 kilometers of paved roads on the small 21-square-kilometer island. **But then the source of wealth dried up.**

The price of a carefree life is high

The basis of the wealth was the huge phosphate reserves on Nauru. These were created from the droppings that seabirds left on the island over centuries. The mining of the mineral, which **is** mainly **used** in **fertilizer production, was a lucrative business**. However, it was also **the only one in the world's smallest republic.**

Videos

https://www.youtube.com/watch?v=kMvAQh3eLnU

https://www.youtube.com/watch?v=82o4j8p_j84

Source: IPG Research

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The Story of Nauru: The "Country that Ate ilself» (1/2)

What happens when you eat up your natural (= annual renewable) resources…?

- **By the turn of the millennium, however, the phosphate deposits were no longer yielding much**. The seabirds have also disappeared, as their habitat has been destroyed by mining – and it is becoming clear who will have to pay the price for what was once such a beautiful life: nature and future generations.
- Part of **the revenue from the phosphate business** flowed **into a sovereign wealth fund**, which at its **peak** had **a volume of US$1.7 billion**.
- **Today, however, nothing remains of this. Corrupt and incompetent governments contributed to this** by investing the money in sometimes adventurous ways – for example, in the late 1980s in a West End musical about Leonardo da Vinci, which was canceled after only a few weeks due to lack of success.
- **Nauru is now dependent on Australia**, from which the island nation has received a lot of money in recent years, among other things for the **temporary reception and care of refugees**. Since 2013, Australian grants have accounted for around two-thirds of the national budget.
- But it is not only financially that things look bleak for Nauru: **the ecosystem has been destroyed by the mining of phosphate deposits. The interior of the island – 80 percent of the land mass – is uninhabitable**.

Witnesses to overexploitation: decades of massive phosphate mining (at its peak, 1.5 million tons were extracted) have transformed parts of the green island into a bizarre lunar landscape.

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Source: IPG Research

Ecological Footprint – Take-aways

Remember:

«Procurement that **resolves the classical first-sight conflict**:

I can buy cheap or I can by sustainable but expensive.»

Humanity's ecological footprint requires three Earths in industrialized nations. Essential raw materials for a linear economy are becoming increasingly scarce.

What happens to these increasingly scarce raw materials?
They become increasingly expensive…!

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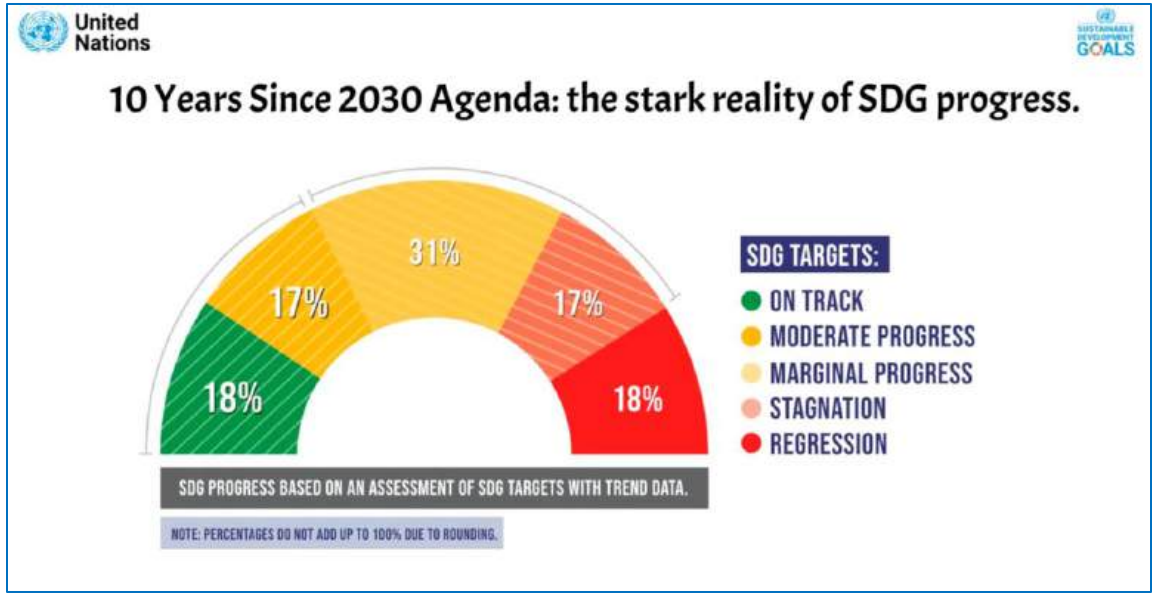
SDGs status review 2025…



https://www.youtube.com/watch?v=MFUyf5Z6hD8

https://www.youtube.com/watch?v=RhsSQZGDF1E

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Sustainability requirements for companies

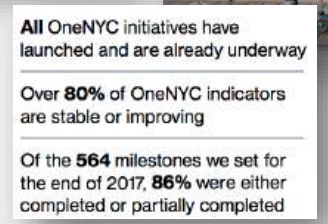
The SDGs are not only aimed at states...

... but also explicitly to business and civil society in order to find answers to global challenges

Companies

Civil society

Governments and municipalities



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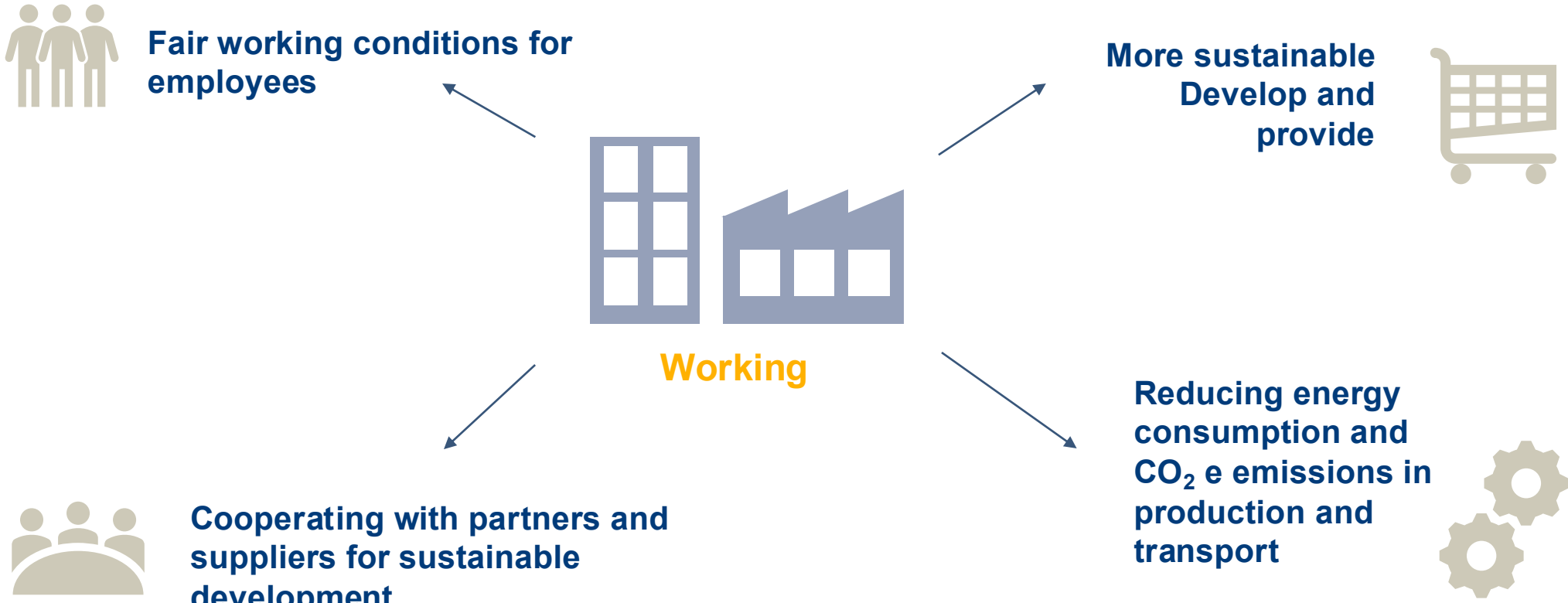
...companies can also make a major contribution to implementing the SDGs

... because they have an influence on many issues and developments



Source: IPG Research

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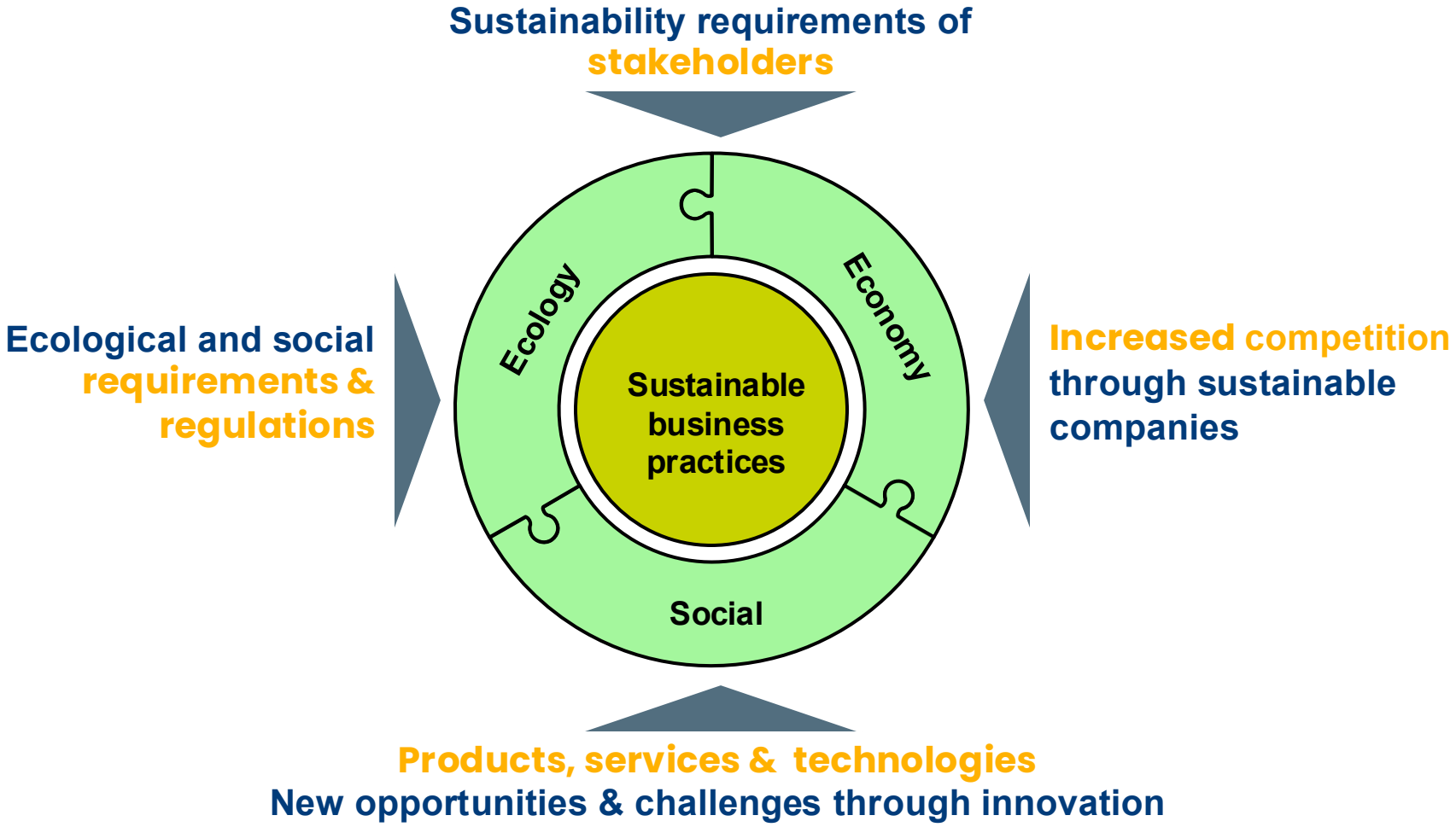
Key sustainability challenges – Introduction of sustainable business practices

The issues of sustainability and corporate responsibility (CR) are changing our economic system in the long term.
Sustainable business practices are becoming a strategic determinant and prerequisite for competitiveness.



Source: IPG Research

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Requirements for companies – Sustainability trends & developments

Awareness of sustainability, demand for sustainable products, solutions, and financial instruments, and the number and scope of regulatory frameworks are steadily increasing

Consumer behavior

50
of Germans
have adjusted their consumer behavior for sustainability reasons

26
of the younger generation* boycott brands due to a lack of sustainability

*aged 16–26

Innovation behavior

30%*
of all German **start-ups** are attributed to the green economy

*

Worldwide over
250
voluntary sustainability standards in
194 countries
and in 15 sectors

Investment behavior

Expected increase in global investments with ESG mandates by
433%
by 2036*

*see 2018

Sustainable investments grew by
25%
to
€335 billion
*see 2019

Source: German Federal Government (2021), IISD (2020), Borderstep Institute for Innovation and Sustainability (2021), Statista (2021), FNG (2021), UNCTAD (2020)

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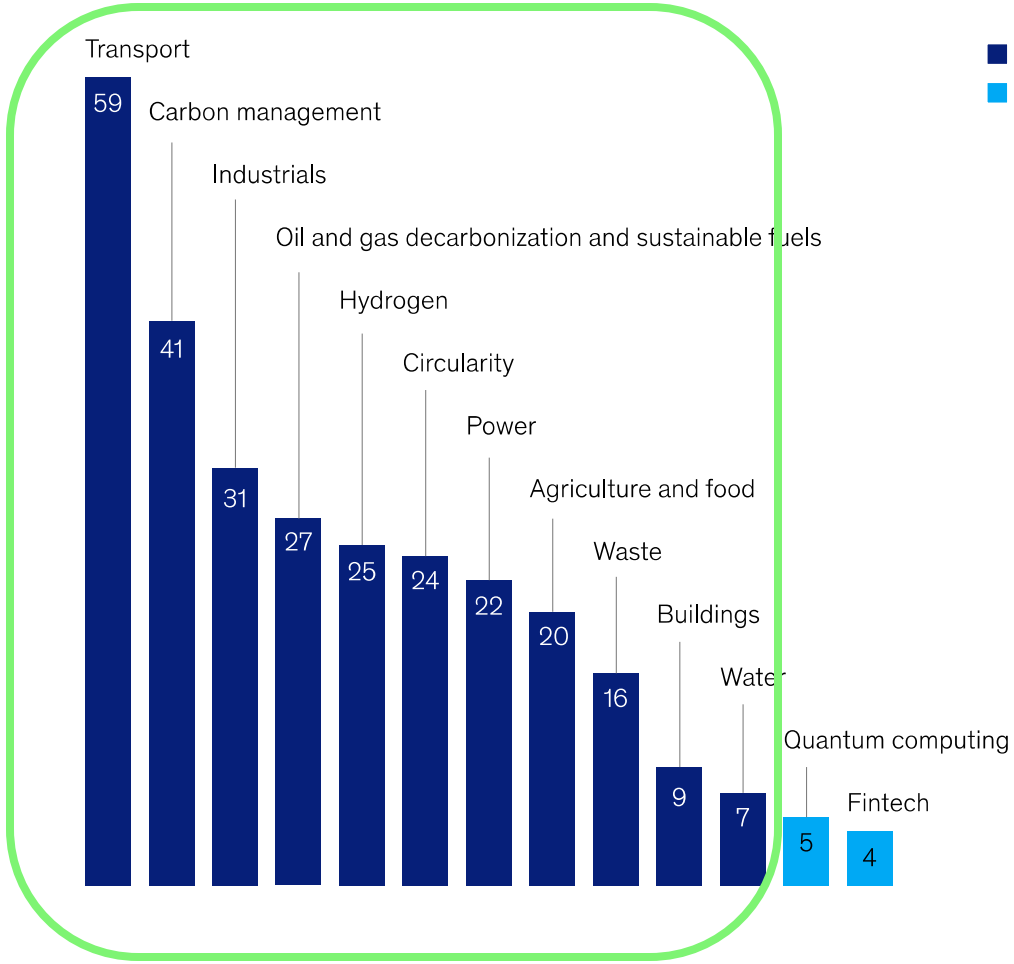
Capital-intensive, sustainable companies offer growth rates similar to those achieved by the technology giants of recent decades.

Climate tech sectors have significantly higher ticket sizes in later-stage venture capital than other high-growth high-tech sectors

Innovation and investment behavior

Recognizing the challenges

- The **ticket size of the most important climate technologies** in the early VC phase is **five to six times** higher than, for example, in fintech or quantum computing.
- In particular, the highly sought-after solutions for **sustainable fuels, hydrogen, green energy, and the circular economy** require **significant capital long before production begins**
- **Climate tech sectors** such as **carbon capture, utilization, and storage (CCUS) and the electrification of transportation** have **ticket sizes of more than $25 million in early VC phases**
- By comparison, the **typical investment ticket size is between $1 million and $5 million**, with the majority of deals falling somewhere in the middle.



Source: PitchBook; McKinsey analysis

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"Science-Based Targets" Initiative

Holistic climate protection strategies comprise five steps

Reduction targets can be developed based on potential or, ideally, based on science

Potential-based

Based on **identified potential** for emission reduction

("How much can I save?")

- Corporate reality and starting point are taken into account
- Internal perspective / bottom-up

Science-based

Based on the **remaining emissions budget until 2100**, based on the UN climate protection targets ("How much do I have to save?")

- Targets in line with global requirements
- Orientation towards planetary boundaries
- External perspective / top-down

Source: IPG Research

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Science Based Targets is a global initiative that enables companies to set ambitious emissions reduction targets.

SCIENCE BASED TARGETS

As of Nov. 2, 2025

Science Based Target initiative

The Paris Agreement, signed by 178 countries at COP 21, includes a global commitment to combat climate change by limiting the temperature increase to 1.5-2°C above pre-industrial levels.

According to the IPCC, this means that by 2050, greenhouse gas emissions must be reduced by 80% compared to 1990 levels.

https://sciencebasedtargets.org/

Source: sciencebasedtargets

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Science-Based Targets Initiative (SBTi)

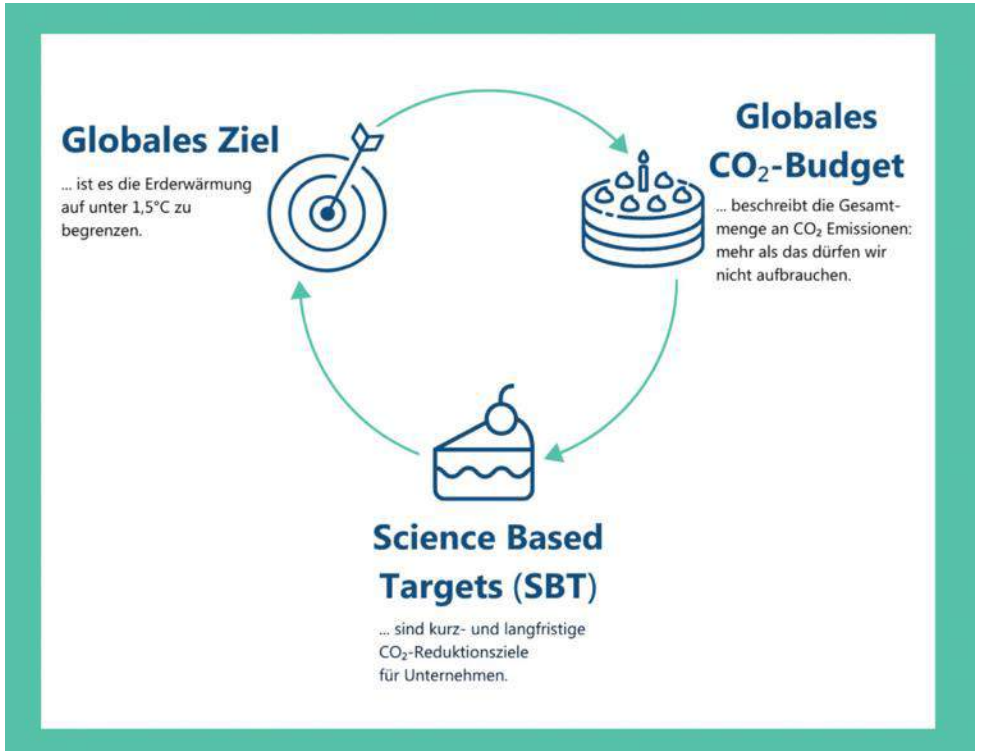
SCIENCE BASED TARGETS

More than 11,000 companies have already set targets using the Science-Based Target methodology and committed to steadily reducing their CO_2 consumption in order to achieve the desired net-zero status.

- $_2$The latest standard for science-based targets (SBT) is called the "Net-Zero Standard"—it includes short- and long-term CO2 emissions reduction targets for companies.
- **$_2$With the Net-Zero Standard, companies not only set short-term CO2 emissions targets, but also commit to achieving a net-zero balance in the long term, i.e. before 2050.**

Who and what is behind Science-Based Targets? The SBTi

- The Science-Based Targets Initiative (SBTi) is behind the development of the Net-Zero Standard. ***The Carbon Disclosure Project (CDP), World Resources Institute (WRI), World Wide Fund for Nature (WWF), and United Nations Global Compact (UNGC)*** have joined forces for this purpose.
- The guiding principle of the standard is to bring corporate **climate targets into line with the** latest **scientific knowledge** on global warming.
- SBTs are an approach to setting emission reduction targets for companies.
- Unlike conventional **"potential-based** targets,**"** SBTs follow a **"top-down" approach:**



SBTi companies focus on the amount of emissions that must be reduced in order to achieve the goals of the Paris Agreement – limiting global warming to 1.5°C.

Source: sciencebasedtargets https://sciencebasedtargets.org/net-zero

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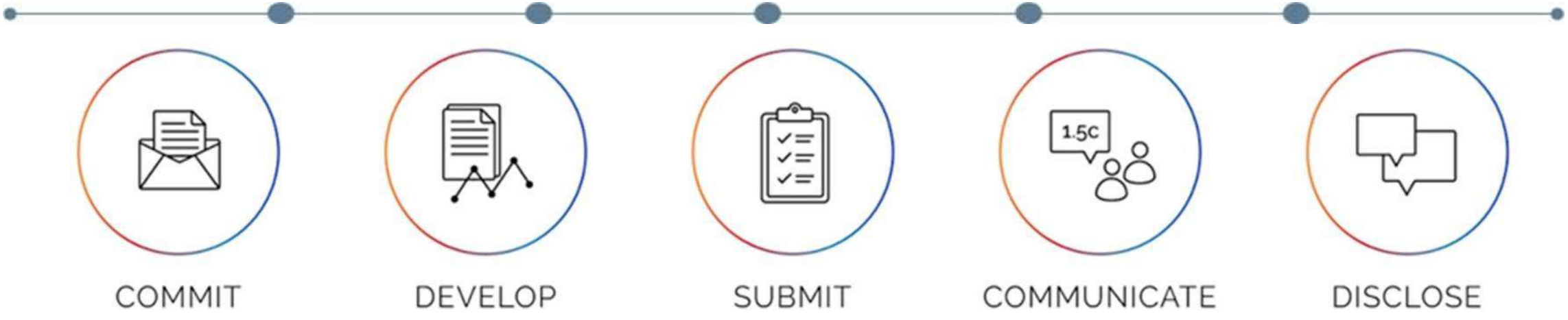
The process for setting a scientifically sound target includes independent target validation.

SCIENCE BASED TARGETS

DAY 1 **24 MONTHS** **AFTER APPROVAL**



COMMIT

The company submits a letter stating its intention to set a science-based target

DEVELOP

The company works on an emissions reduction target that meets the SBTi criteria

SUBMIT

The company **submits** the targets to the **SBTi for official validation**

COMMUNICATE

The company announces the target and informs stakeholders

DISCLOSE

The company reports annually on its total emissions and progress toward achieving its targets.

Source: sciencebasedtargets

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INNOVATE · PERFORM · GROW

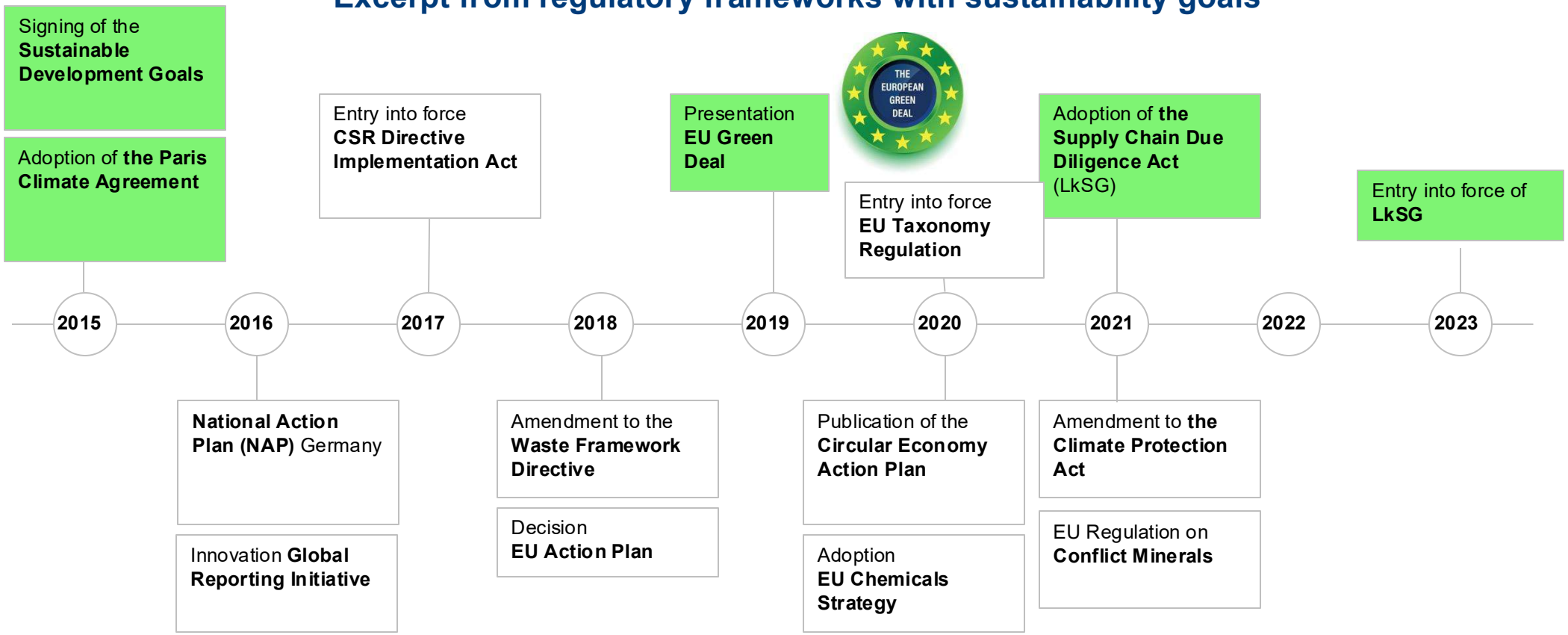
Regulatory environment

The EU´s Green Policy Agenda

Requirements for companies – Regulatory framework

The **number of laws, regulations, and agreements** relating to sustainability **continues to grow** at the national, European, and international levels, presenting companies with **new challenges**.

Excerpt from regulatory frameworks with sustainability goals



Source: Exxeta

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The EU´s green policy agenda

EU Green Deal presented in December 2019

Source: Exxeta

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The EU´s green policy agenda

167 legaslatives files beween 2019 - 2024

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The Green Deal is a package of policy initiatives aimed at making the EU climate neutral by 2050.

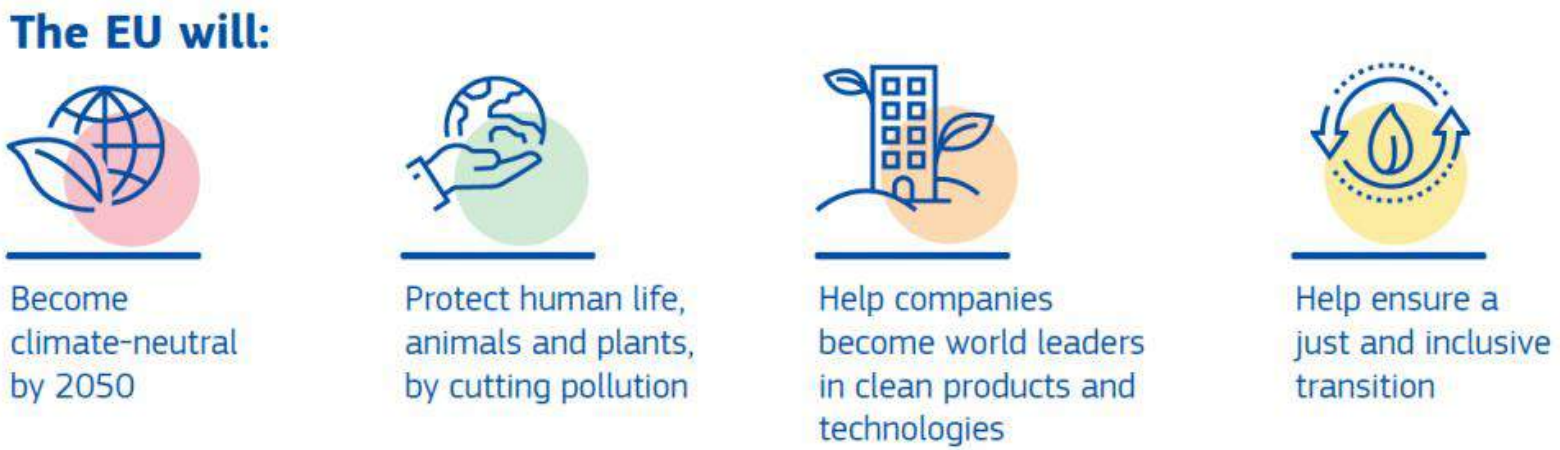
The **European Green Deal** presented by the Commission on December 11, 2019**,** sets the **goal of making Europe the first climate-neutral continent by 2050**.

The EU's commitment to climate neutrality and **the interim target of reducing net greenhouse gas emissions**

by at least 55% by 2030 ("Fit for 55 package")

compared to 1990 levels will be made legally binding by the European Climate Law

- The Green Deal is a **step towards a holistic and integrated approach** to tackling climate and environmental challenges.
- It also seeks to anchor environmental policy by bringing together and improving **various existing strategies, initiatives**, **and financing programs** that address sustainability and climate change.



Source: European Commission, Green Deal

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The EU´s green policy agenda

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Green Deal – The EU's goal is to reduce net greenhouse gas emissions by at least 55% by 2030

The **Fit for 55 package** consists of a series of **proposals to revise and update EU** legislation and introduce new initiatives to ensure that EU policies are consistent with the climate goals agreed by the Council and the European Parliament.

The package of proposals aims to establish a **coherent and balanced framework for achieving the EU's climate goals**, which:

- **ensures a just and socially fair transition**
- **maintains and strengthens the innovation and competitiveness of EU industry while ensuring a level playing field for economic operators from third countries**
- **underpins the EU's position as a leader in the global fight against climate change**

There will be a particular **focus on renewable energy and energy efficiency**.

Other priorities include promoting a **circular economy**, **biodiversity** and a **non-toxic environment**, as well as **sustainable and smart mobility**.

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Source: European Commission, Green Deal

The political landscape – underpins the EU's position as a leader in the global fight against climate change…

The EU Green Deal is here to stay!

Source: Based on IntegrityNext

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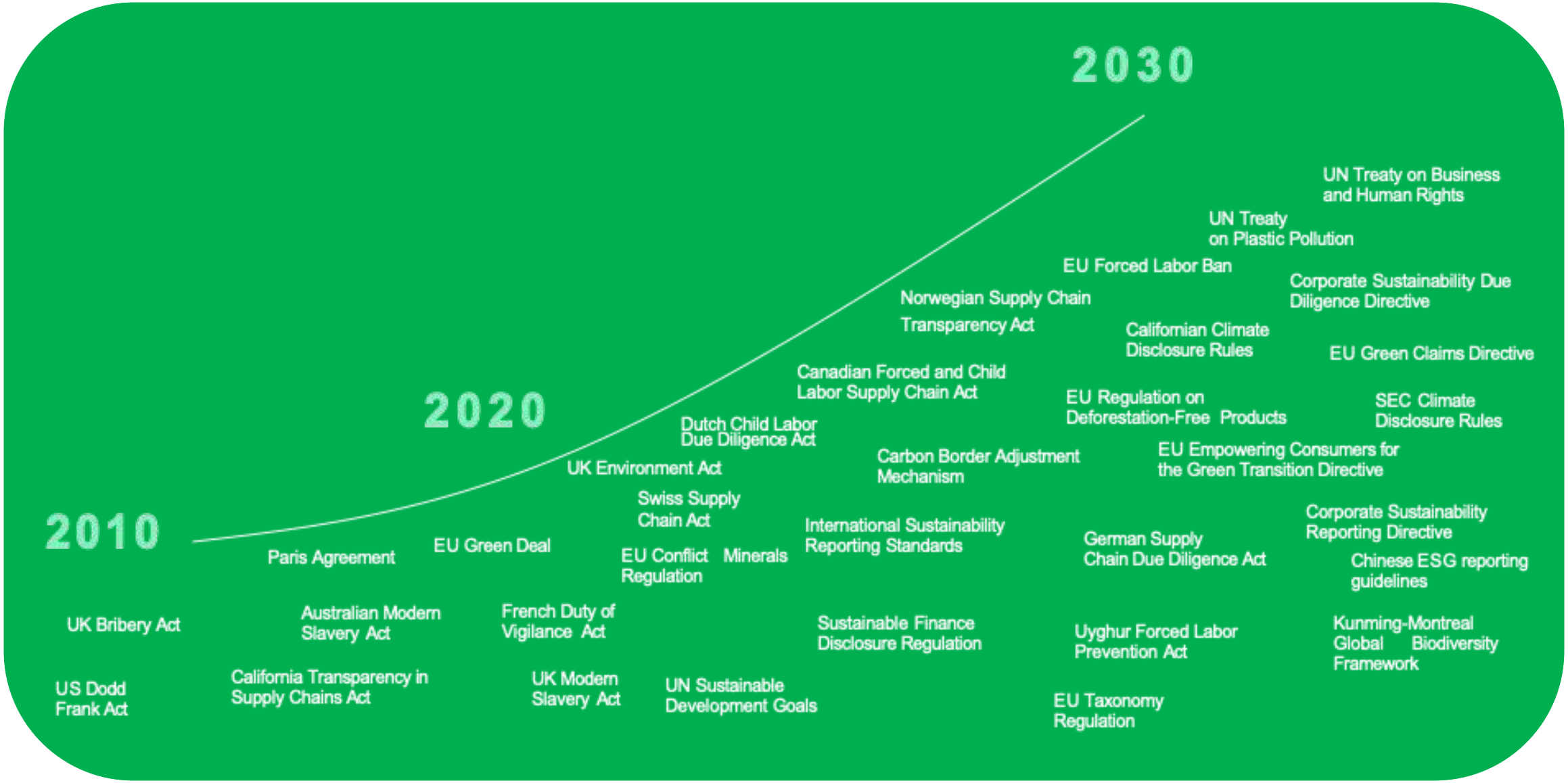
Regulatory environment

Key EU regulations to know

ESG regulations and standards are expanding globally



Source: Based on IntegrityNext

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ESG regulations and standards are expanding globally

- Companies should **closely monitor regulatory trends on an ongoing basis** so that they can better assess upcoming obligations, resource availability, and necessary adjustments to business operations.
- New analysis processes and data collection systems, novel governance approaches, and forms of collaboration, both internal and external, require **careful and early planning**

Source: Based on IntegrityNext

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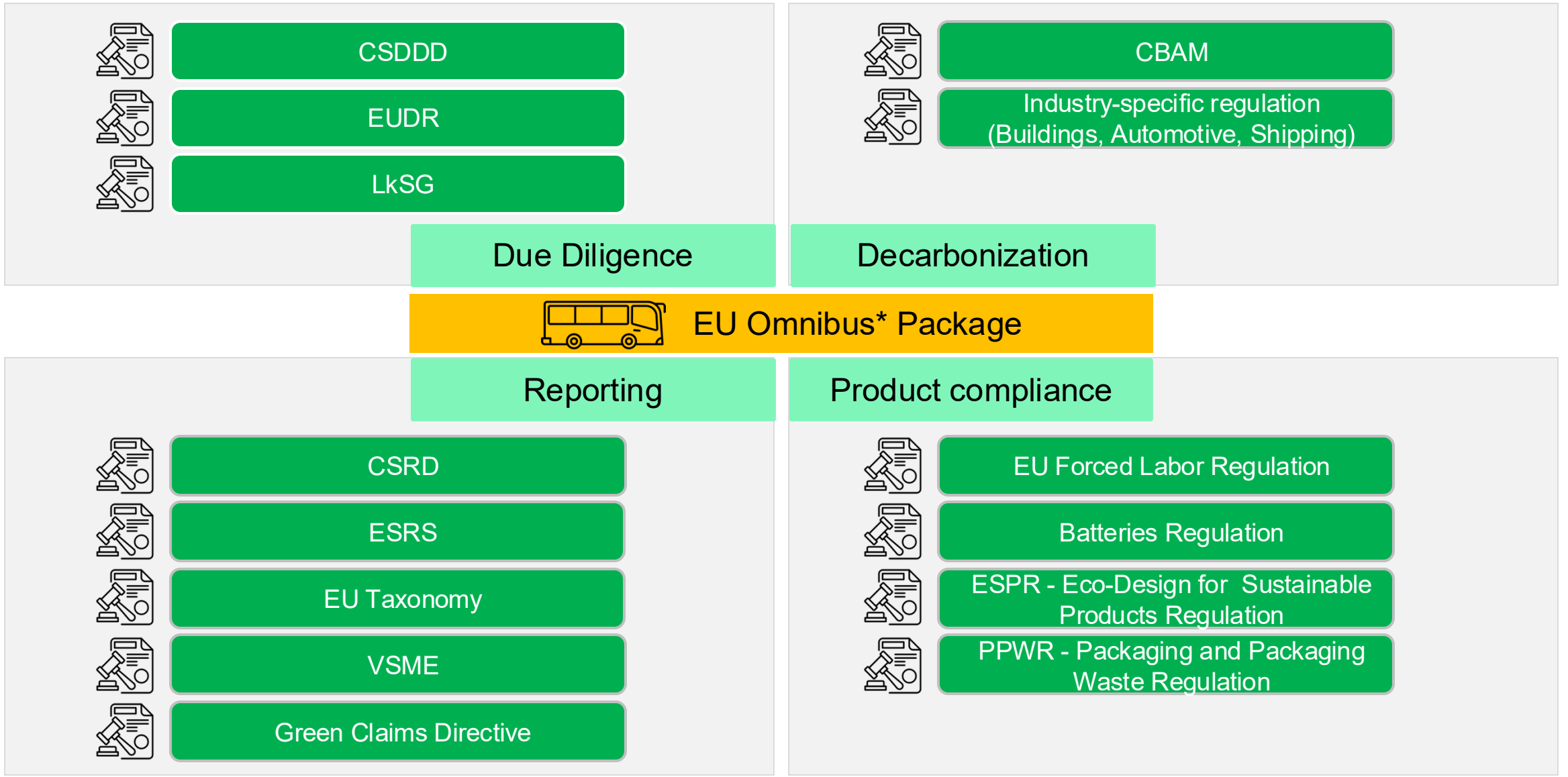
Key EU Regulations - overview



Source: IPG Research

* In EU legislation, an omnibus package refers to a bundle of legislative changes intended to cover all areas or all "affected parties".

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Regulations - overview

Omnibus	The **Omnibus Initiative** aims to align and simplify EU sustainability reporting rules, ensuring consistency between the CSRD, the ESRS, and other related regulations.
CSDDD	The **CSDDD (Corporate Sustainability Due Diligence Directive)** requires companies to identify, prevent, and address negative impacts on human rights and the environment throughout their operations and supply chains.
LkSG	The **German Supply Chain Due Diligence Act (SCDDA / LkSG*)** requires companies to identify, prevent, and address human rights and environmental risks throughout their global supply chains.
EUDR	The **EUDR (EU Deforestation Regulation)** requires companies to ensure that products sold in the EU are not linked to deforestation or forest degradation anywhere in the world.
CSRD	The **CSRD (Corporate Sustainability Reporting Directive = Law)** requires companies to report transparently on their environmental, social, and governance (ESG) impacts, risks, and strategies in line with standardized EU sustainability criteria.
ESRS	The **ESRS (European Sustainability Reporting Standards = Rules)** define how companies must report their environmental, social, and governance (ESG) impacts and performance under the CSRD to ensure consistent, comparable, and transparent sustainability reporting across the EU.
VSME	The **VSME (Voluntary Standards for SMEs)** provides simplified and voluntary sustainability reporting rules to help small and medium-sized enterprises disclose key ESG information without excessive administrative burden.
EU Taxonomy	The **EU Taxonomy** defines which economic activities can be considered environmentally sustainable, helping companies and investors direct capital toward activities that support the EU's climate and environmental goals.

Source: IPG Research

* Lieferkettensorgfaltspflichtengesetz

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Regulations - overview

CSRD

- CSRD = **reporting obligation ("Who must report")**
- The **CSRD (Corporate Sustainability Reporting Directive = Law)** requires companies to report transparently on their environmental, social, and governance (ESG) impacts, risks, and strategies in line with standardized EU sustainability criteria.
- The **CSRD (Corporate Sustainability Reporting Directive)** is the **law** that requires companies in the EU to report on their sustainability performance.

ESRS

- ESRS = **how and what to report ("How to report it")**
- The **ESRS (European Sustainability Reporting Standards = Rules)** define how companies must report their environmental, social, and governance (ESG) impacts and performance under the CSRD to ensure consistent, comparable, and transparent sustainability reporting across the EU.
- The **ESRS (European Sustainability Reporting Standards)** are the **detailed rules and frameworks** that define **how** and **what** companies must report under the CSRD.

EU Taxonomy

- EU Taxonomy = **what is green and what not**
- The **EU Taxonomy** defines **what counts as environmentally sustainable**.
- Promoting sustainable investments and **supporting the EU Green Deal**.
- Forming the **basis for the Corporate Sustainability Reporting Directive (CSRD)**

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Source: IPG Research

Regulations - overview

CBAM	The **CBAM (Carbon Border Adjustment Mechanism)** puts a carbon price on imports of certain goods to the EU, ensuring they meet the same climate standards as products made within the EU.
EU Forced Labor Regulation	The **EU Forced Labor Regulation** prohibits products made with forced or child labor from being sold or imported into the EU, promoting fair and ethical supply chains.
ESPR	The **ESPR** (Ecodesign for Sustainable Products Regulation) sets rules to make products more durable, repairable, energy-efficient, and recyclable, promoting a circular and sustainable EU market.
PPWR - Packaging and Packaging Waste Regulation	The **PPWR** (Packaging and Packaging Waste Regulation) aims to reduce packaging waste by making all packaging reusable or recyclable, cutting unnecessary materials, and promoting circular design across the EU.
Batteries Regulation	The **EU Batteries Regulation** ensures that batteries are produced, used, and recycled sustainably by setting requirements for safety, circularity, carbon footprint, and responsible sourcing of raw materials.
Green Claims Directive	The **Green Claims Directive** requires companies to prove and communicate environmental claims about their products or services clearly and truthfully, preventing misleading or unsubstantiated “greenwashing.”
Industry-specific regulation	The **industry-specific regulation for Buildings** sets sustainability standards to reduce energy use, carbon emissions, and environmental impact across the building life cycle — from design and construction to operation. The **industry-specific regulation for Automotive** focuses on reducing vehicle emissions, improving energy efficiency, and promoting sustainable materials and circular economy practices throughout the automotive value chain. The **industry-specific regulation for Shipping** aims to reduce greenhouse gas emissions and improve energy efficiency in maritime transport through cleaner fuels, greener technologies, and stricter environmental standards.

Source: IPG Research

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Regulations - overview

United Nations Global Compact

ESG REGULATIONS NAVIGATOR

What is it?

Your guidance to quickly understand key requirements, applicability, and deadlines of current ESG regulations that may impact your business.

How can this tool support you?

It breaks down the recommendations of the OECD Due Diligence Guidance for Responsible Business Conduct (OECD Guidance) into actionable items and compares them to international regulations.

It can help you to:

- Understand key legislative obligations, allowing you to prioritise and focus
- Identify (potential) gaps in your current implementation approach and best practices
- Hold informed discussions with internal stakeholders and advisors
- Reduce frustration when trying to identify actions common to several regulations

https://esg-regulations-navigator.globalcompact.ch/

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The OECD Due Diligence Guidance for Responsible Business Conduct (OECD Guidance) is compared to:

- UN Guiding Principles on Business and Human Rights
- German Supply Chain Act
- Swiss Code of Obligations
- Norwegian Transparency Act
- EU Corporate Sustainability Reporting Directive (CSRD)
- EU Corporate Sustainability Due Diligence Directive (CSDDD)
- EU Conflict Minerals Regulation
- EU Regulation on Prohibiting Products Made with Forced Labour on the Union Market

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Regulations - overview

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

EU Omnibus Package

The EU Omnibus Package – What do we know so far?

EU Omnibus Package

In EU legislation, an omnibus package refers to a bundle of legislative changes intended to cover all areas or all "affected parties".

Omnibus =

› Many benefits
› for everyone
› at once

The term “Omnibus” originally comes from Latin and means “for all” (from omnis = “all”).

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The EU Omnibus Package – What do we know so far?

EU Omnibus Package

- **On 26 February 2025**, the EU Commission published **first drafts** of its Sustainability OmnibusPackage (as announced here, with a link to the legislative proposals here).
- The Sustainability Omnibus Package has been anticipated for its **promise to ease the regulatory burden** on companies with the **aim of promoting competitiveness**
- While the EU remains a global leader in sustainability regulation, the **three key pillars of EU sustainability regulation —**
  - **CSRD, CS3D, and EU Taxonomy** — are highly technical, and many organisations have struggled with implementation.
- As a result, **regulatory simplification** has been a widely supported priority within the industry.
- The Omnibus Package has been broadly welcomed for its proposed simplification but also **creates uncertainty about the future of the EU's ambitious sustainability framework** to which many companies have dedicated significant resources.

Source: IPG Research

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The EU Omnibus Package

EU Omnibus Package

The EU's Objectives of Competitiveness and Simplification

- The Omnibus proposes ambitious targets, such as **reducing reporting burdens by 25%, and by at least 35% for small- and medium-sized enterprises (SMEs)**.
- To meet these objectives, the Omnibus offers a suite of proposals to amend key EU legislation, including:
  - **Stop the Clock (CSRD / CSDDD):** A directive to postpone (i) CSRD reporting requirements for certain companies, and (ii) the transposition deadline and initial application of the CSDDD (the Stop the Clock Directive)
  - **Detailed Directive (CSRD / CSDDD):** A more detailed proposal containing amendments to the CSRD and CSDDD (the Detailed Directive)
  - **EU Taxonomy Amendments:** Taxonomy proposals to amend the Taxonomy Disclosures Delegated Act (DDA) and the Taxonomy Climate and Environmental Delegated Act
  - **CBAM Amendments:** A proposal for a regulation amending the EU Carbon Border Adjustment Mechanism (CBAM)
- Omnibus is intended to **preserve the objectives of the Green Deal while reducing regulatory burdens**.

Source: IPG Research

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The EU Omnibus Package – What do we know so far?

EU Omnibus Package

› The key changes include the following:

CSRD	
	› **Postponement of reporting**: CSRD reporting postponed until 2028 for wave 2 companies and until 2029 for wave 3 companies. › **Increasing the thresholds for applicability**: CSRD to apply to large companies with more than 1000 employees plus either a turnover above €50 million or a balance sheet total above €25 million, with the same 1000 employee threshold applying to parent companies of large groups. › **Reducing value chain "trickle down"**: new measures **to limit the reporting** and due diligence obligations on smaller companies **down the value c**hain. › **Commitment** to revise the **ESRS** (European Sustainability Reporting Standards). › Note the Omnibus Package **does not change the 'double materiality' concept**.

Source: IPG Research

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The EU Omnibus Package – What do we know so far?

EU Omnibus Package

› The key changes include the following:

CSDDD (CS3D)	› **Postponement of application:** CS3D application postponed by one year until 2028 for wave 1 companies (with deadlines for wave 2 and 3 remaining 2028 and 2029, respectively) › **Reducing the scope of CS3D due diligence**: Limiting identification and assessment of actual or potential adverse impacts to own operations and direct business partners, with the obligation to assess indirect business partners only in case of "plausible information" on adverse impacts. › **Removing** requirement to **terminate business relationships** as a last resort. › **Extending** intervals for **monitoring** the adequacy and effectiveness of due diligence (from yearly to every 5 years). › **Removing civil liability regime** (civil liability will be determined by national law). › **European Commission to provide guidance on due diligence** and transition plans prior to implementation.

Source: IPG Research

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The EU Omnibus Package – What do we know so far?

EU Omnibus Package

The Omnibus package incorporates several proposals of relevance for sustainability reporting:

- Proposal I: Adjustment of thresholds, content and due diligence obligations
- Proposal II: The so-called “Stop-the-clock” proposal

The six levers of simplification underpinning the Exposure Drafts

1. Simplification of the Double Materiality Assessment
2. Better readability of sustainability statements and connectivity with corporate reporting as a whole
3. Modifying the relationship between ESRS 1 General Requirements and ESRS 2 General Disclosures
4. Improved clarity and accessibility of the ESRS
5. Introduction of burden-reducing reliefs
6. Enhanced interoperability with the ISSB standards

Source: IPG Research

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Take-aways for BiH companies

Requirements and key actions for BiH Companies to Access the EU Market

Non-EU suppliers must increasingly:

- Meet **EU sustainability and human rights standards**,
- Provide **traceability and transparency** in supply chains,
- Disclose **carbon and environmental data**,
- Ensure **ethical sourcing and production** to maintain EU market access.

To stay competitive in the EU market, BiH companies must prove that their production is **ethical, low-carbon, and transparent** across the entire supply chain.

1. **Implement supply chain due diligence** – Identify and manage human rights and environmental risks (CSDDD, LkSG).
2. **Ensure traceability of raw materials and products** – Prove legal and sustainable sourcing (EUDR, CBAM).
3. **Measure and report carbon emissions** – Calculate product and process CO_2 footprint (CBAM, CSRD).
4. **Adopt environmental and social policies** – Establish internal sustainability standards and codes of conduct.
5. **Use sustainable packaging and design** – Ensure recyclability and reduced waste (PPWR, ESPR).
6. **Avoid forced or child labour** – Audit labour practices and suppliers (EU Forced Labour Regulation).
7. **Comply with product sustainability standards** – Follow EU technical and safety requirements (ESPR, Batteries Regulation).
8. **Prepare ESG documentation** – Provide data requested by EU customers for reporting under CSRD/ESRS.
9. **Engage in transparency and certifications** – Obtain recognized sustainability certifications (ISO 14001, FSC, etc.).
10. **Train staff and suppliers** – Raise awareness on EU sustainability and compliance standards.

Source: IPG Research

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

Requirements and key actions for BiH Companies to Access the EU Market

What applies

Many of the actions (e.g., supply-chain due diligence, sustainable sourcing, product standards, transparency) **are relevant** for companies that export to the EU, because EU-based buyers or regulators may impose them, even if the exporting company is outside the EU.

Scope & size thresholds under the "Omnibus" simplification proposal

- The proposed **Omnibus package** by the EU aims to **raise size thresholds** for mandatory reporting under the Corporate Sustainability Reporting Directive (CSRD): companies must have **more than 1,000 employees** (proposed) to fall under full CSRD obligations.
- For smaller firms (especially micro, small & medium-sized enterprises, SMEs), the obligations may be **lighter**, voluntary, or phased in. The concept of a simplified standard for SMEs (VSME) is proposed.
- The proposed revisions aim to **reduce administrative burdens** for smaller entities.

Bottom line for a small BiH company

- If the company is **small** (e.g., fewer than 250 employees, moderate turnover) and exports to the EU, it might **not yet** be fully in scope of the most stringent EU obligations (depending on final legislation).
- However, even if **not legally mandated**, EU buyers may impose **contractual requirements** (due diligence, ethical sourcing, sustainability data) on their suppliers.
- Being proactive – implementing the 10 key actions – will help such a company become a **preferred supplier**, reduce risk and improve market access.

Source: IPG Research

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Take-aways – Understanding the Context – It's about much more than just regulations and laws…

Climate change

- GHG emissions, carbon intensity
- Transition and physical climate risks Climate transition plan

- Competitor benchmarking
- Addressing financial burden from carbon pricing
- Adapting to climate change
- Strengthening risk management

Resource use and circular economy

- Resource inflows and outflows
- Measures to promote the circular economy

- Increasing resource efficiency
- Reducing dependence on raw materials
- Fostering product innovation

Workers in the value chain

- Identification of forced and child labor risks
- Management of human rights impacts

- Strengthening proactive risk management
- Driving supply chain resilience

Affected communities

- Identification of affected communities
- Stakeholder engagement
  Grievance mechanisms

- Strengthening stakeholder communication and goodwill

Strategic value of Sustainable Procurent

Long-term competitiveness

Source: Based on IntegrityNext

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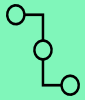
Outlook & recommendations for action

Sustainability remains a driver for the future – even beyond regulatory requirements

Stakeholder interests and investor requirements

continue to be strongly focused on sustainability.



Pressure within the supply chain:

Companies demand ESG data from their suppliers

Strategic orientation & promotion of innovation:

Knowledge about risks, opportunities, and impacts should be used for strategic corporate decisions and the prioritization of important issues.

Recommendation: Don't wait for regulations and legislation, but stay on top of things and make your company fit for the future!

Source: IPG Research, DFGE (Institute for Energy, Ecology and Economy)

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Take-aways – Advantages of being an early adopter in your region

Proactive Risk Management

- Spot risks before they become problems and prioritize mitigation efforts where they matter most.

Strategic Supply Chain Visibility

- Empower procurement and sourcing with insights that drive smarter decisions, maximizing impact, boosting efficiency, and supporting your sustainability initiatives.

Effortless Regulatory Compliance

- Confidently meet regulations with precise reporting and product-specific due diligence.

Fostering Compliance Culture

- Contribute to a more robust corporate governance and risk avoidance.

Competitive Advantage

- Gain financial opportunities through credibility towards investors, customers and the public.

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Source: Based on IntegrityNext

Due Dilligence Obligations

Build a strategy to assess and improve the enterprise and supplier impact on society/the environment

Climate Action Plan

ensuring that business model and strategy are compatible with Paris agreement on climate

- A **Climate Action Plan** is a strategic action plan that governments, companies, or organizations use to implement their contribution to **limiting global warming (ideally) to 1.5 °C**, as agreed in the **Paris Climate Agreement**.
- It describes:
  - **Targets** for reducing greenhouse gas emissions (net-zero or interim targets),
  - **Measures** for energy efficiency, renewable energy use, and decarbonization,
  - **Timetables** for implementation,
  - and **monitoring mechanisms** for measuring progress.
- A Climate Action Plan sets out **concrete steps to reduce emissions** to such an extent that global warming is limited (ideally) to a **maximum of 1.5 °C** – in line with the goals of the **2015 Paris Agreement**.

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INNOVATE · PERFORM · GROW

Double Materiality Analysis (DMA) according CSRD / ESRS

What is a Double Materiality Analysis (DMA)

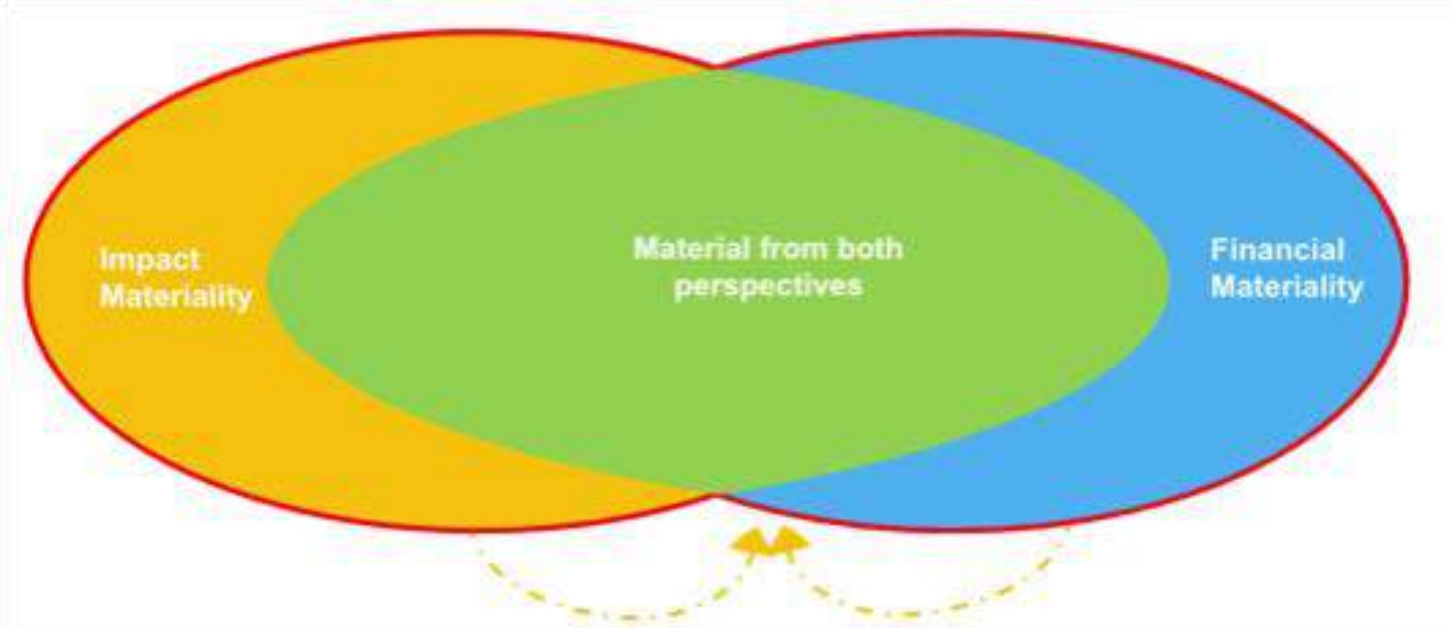
CSRD / ESRS

The CSRD explains that entities should disclose information that is material from either an impact perspective or a financial perspective, or from both perspectives. The directive establishes the "double materiality" terminology

Impacts:
Positive and negative sustainability-related impacts that are connected with the companies' business, as identified through an ***impact materiality*** assessment

Impact materiality:
Focuses on the company's impacts *on people and the environment*.

Sustainability matters that are material from an **impact** or **financial perspective**, or both, have associated material IROs.



***Risks and opportunities*:**
A companies' sustainability-related financial risks and opportunities, including those deriving from dependencies on natural, human and social resources, as identified through a ***financial materiality*** assessment

Financial materiality:
Focuses on *how sustainability issues affect the company's enterprise value*.

Four steps to conduct a double materiality assessment:

- *Step 1* — Identify business activities, including those in the value chain
- *Step 2* — Identify IROs.
- *Step 3* — Determine which IROs are material.
- *Step 4* — Conclude and prepare documentation.

Source: EFRAG IG 1 Materiality Assessment – Implementation guidance

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How is the CSRD Standard structured?

CSRD / ESRS

1. Structure of the CSRD Framework
The CSRD sets the legal foundation for how companies must report sustainability information in the EU. It is **implemented through the ESRS (European Sustainability Reporting Standards)** developed by **EFRAG**.

The structure consists of **three main layers**:

1. Overarching Standards (Cross-cutting ESRS): These apply to all companies and define the overall principles and reporting architecture.

ESRS 1 – *General Requirements* (defines principles, double materiality, reporting boundaries, etc.)

ESRS 2 – *General Disclosures* (mandatory disclosures on governance, strategy, impacts, risks, metrics, targets, etc.)

2. Topical Standards (Thematic ESRS)
Cover the three sustainability dimensions:

1. Environment (E1–E5):
- E1 Climate Change
- E2 Pollution
- E3 Water and Marine Resources
- E4 Biodiversity and Ecosystems
- E5 Resource Use and Circular Economy

2. Social (S1–S4):
- S1 Own Workforce
- S2 Workers in the Value Chain
- S3 Affected Communities
- S4 Consumers and End-Users

3. Governance (G1):
- G1 Business Conduct

3. Sector-specific and SME Standards
- Sector-specific ESRS (under development, expected from 2026) define metrics for high-impact sectors (e.g., energy, transport, finance, construction).
- **VSME Standards (Voluntary SME)** will provide simplified reporting for small and medium-sized enterprises.

Source: EFRAG IG 1 Materiality Assessment – Implementation guidance

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

How is the CSRD Standard structured?

General standards

Standard	Title
ESRS 1 – General Requirements	Defines the **overall principles and structure** of sustainability reporting under CSRD, including double materiality, value chain coverage, and reporting boundaries. It explains *how* sustainability information should be prepared and presented.
ESRS 2 – General Disclosures	Establishes **mandatory disclosures** for all companies, regardless of material topics. Covers governance, strategy, risk management, policies, targets, and metrics related to sustainability. Forms the *core* of every sustainability statement.

Environment (E-Series)

Standard	Title
E1 – Climate Change	Addresses both **climate change mitigation and adaptation**, including greenhouse gas emissions (Scopes 1–3), energy use, transition plans, and resilience to climate risks.
E2 – Pollution	Covers emissions of pollutants to air, water, and soil, including chemicals, particulate matter, and microplastics. Focuses on reducing harmful environmental impacts.
E3 – Water and Marine Resources	Focuses on **water use, discharge, and marine ecosystem impacts**, ensuring sustainable management of freshwater and ocean resources.
E4 – Biodiversity and Ecosystems	Concerns the company's impacts and dependencies on **biodiversity, habitats, and ecosystem services**, including land use and restoration efforts.
E5 – Resource Use and Circular Economy	Deals with **resource efficiency, waste management, recycling, and circularity** — encouraging reduced material use and sustainable product life cycles.

Source: EFRAG IG 1 Materiality Assessment – Implementation guidance

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How is the CSRD Standard structured?

Social (S-Series)

Standard	Title
S1 – Own Workforce	Focuses on the company's **employees**, covering working conditions, equal opportunities, diversity, health and safety, and career development.
S2 – Workers in the Value Chain	Addresses social issues affecting **non-employee workers** in the company's upstream and downstream value chains, such as fair wages and human rights.
S3 – Affected Communities	Relates to the company's **impact on local communities**, including land use, resettlement, cultural heritage, and access to resources.
S4 – Consumers and End Users	Focuses on **customer health, safety, and privacy**, as well as product responsibility and marketing ethics.

Governance (G-Series)

Standard	Title
G1 – Business Conduct	Covers **ethics, integrity, anti-corruption, anti-bribery, lobbying, and political engagement**. Promotes responsible corporate behavior and transparency in governance.

The **ESRS framework (ESRS 1–G1)** defines the **complete structure for CSRD sustainability reporting**, covering how companies must disclose **environmental, social, and governance (ESG)** information — ensuring consistency, comparability, and accountability across the EU.

Source: EFRAG IG 1 Materiality Assessment – Implementation guidance

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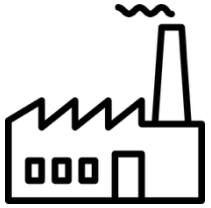
What is a Double Materiality Analysis (DMA)

CSRD / ESRS

Value chain (Upstream)

- E1 Climate Change
- E2 Pollution
- E3 Water and Marine Resources
- E4 Biodiversity and Ecosystems
- E5 Resource Use and Circular Economy
- S2 Workers in the Value Chain
- S3 Affected Communities
- S4 Consumers and End-Users
- G1 Business Conduct

Company



ESRS 2 – *General Disclosures*

- E1 Climate Change
- S1 Own Workforce
- E2 Pollution
- E3 Water and Marine Resources
- E4 Biodiversity and Ecosystems
- E5 Resource Use and Circular Economy
- S2 Workers in the Value Chain
- S3 Affected Communities
- S4 Consumers and End-Users
- G1 Business Conduct

Value chain (downstream)

- E1 Climate Change
- E2 Pollution
- E3 Water and Marine Resources
- E4 Biodiversity and Ecosystems
- E5 Resource Use and Circular Economy
- S2 Workers in the Value Chain
- S3 Affected Communities
- S4 Consumers and End-Users
- G1 Business Conduct

Every company must disclose

Depending on the materiality analysis

Depending on the materiality analysis / waiting period of 3 years (ESRS 1, §133/§134

Source: EFRAG IG 1 Materiality Assessment – Implementation guidance

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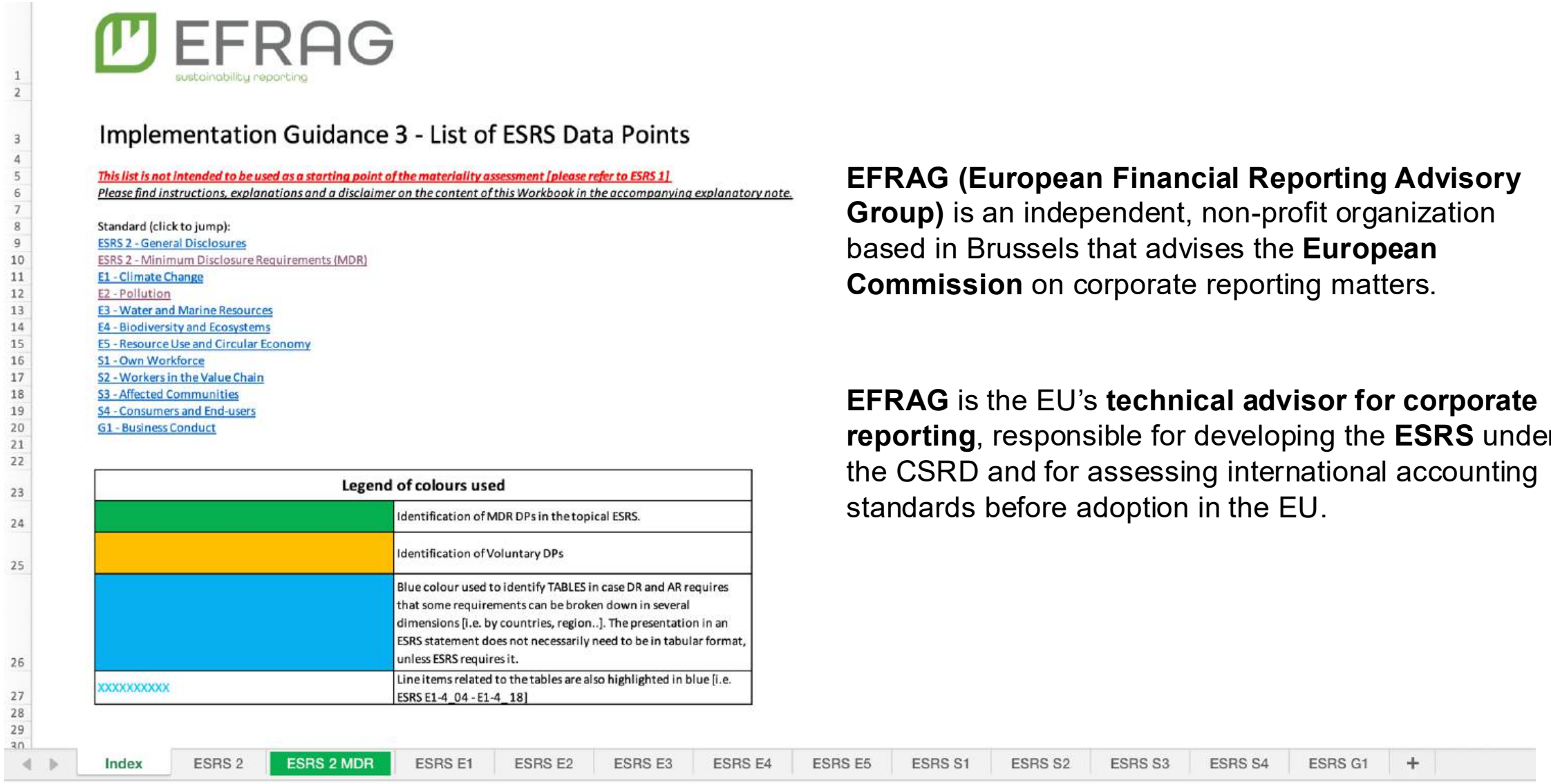
How is the CSRD Standard structured?



EFRAG sustainability reporting

Implementation Guidance 3 - List of ESRS Data Points

This list is not intended to be used as a starting point of the materiality assessment [please refer to ESRS 1]
Please find instructions, explanations and a disclaimer on the content of this Workbook in the accompanying explanatory note.

Standard (click to jump):
ESRS 2 - General Disclosures
ESRS 2 - Minimum Disclosure Requirements (MDR)
E1 - Climate Change
E2 - Pollution
E3 - Water and Marine Resources
E4 - Biodiversity and Ecosystems
E5 - Resource Use and Circular Economy
S1 - Own Workforce
S2 - Workers in the Value Chain
S3 - Affected Communities
S4 - Consumers and End-users
G1 - Business Conduct

Legend of colours used	
	Identification of MDR DPs in the topical ESRS.
	Identification of Voluntary DPs
	Blue colour used to identify TABLES in case DR and AR requires that some requirements can be broken down in several dimensions [i.e. by countries, region..]. The presentation in an ESRS statement does not necessarily need to be in tabular format, unless ESRS requires it.
XXXXXXXXXX	Line items related to the tables are also highlighted in blue [i.e. ESRS E1-4_04 - E1-4_18]

Index | ESRS 2 | ESRS 2 MDR | ESRS E1 | ESRS E2 | ESRS E3 | ESRS E4 | ESRS E5 | ESRS S1 | ESRS S2 | ESRS S3 | ESRS S4 | ESRS G1 | +

EFRAG (European Financial Reporting Advisory Group) is an independent, non-profit organization based in Brussels that advises the **European Commission** on corporate reporting matters.

EFRAG is the EU's **technical advisor for corporate reporting**, responsible for developing the **ESRS** under the CSRD and for assessing international accounting standards before adoption in the EU.

Source: EFRAG IG 1 Materiality Assessment – Implementation guidance

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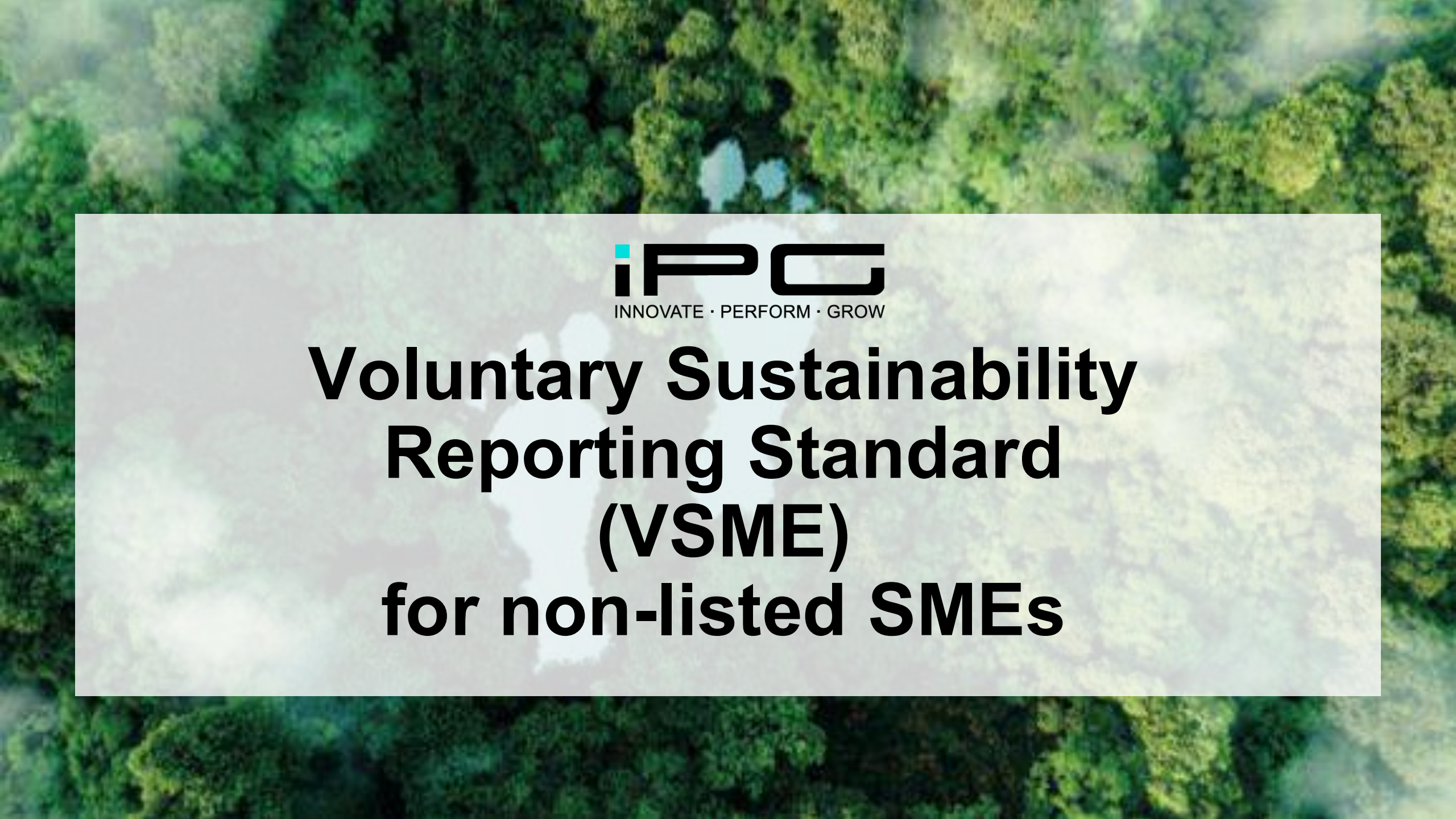

Voluntary Sustainability Reporting Standard (VSME) for non-listed SMEs

VSME & Omnibus

VSME

EU Commission proposals to simplify reporting requirements

- The EU Commission proposes **changes** to **the European legal basis for sustainability reporting**
- This affects the following regulations: **CSRD, CSDDD, EU taxonomy, CBAM, and InvestEU**
- The EU Parliament will discuss and adopt these proposals in the coming months

Contents of the EU Commission's **omnibus package** of February 26, 2025, **regarding the CSRD**, proposals for:

Reducing the scope of application by approximately 80%

New thresholds for CSRD obligations:
- > 1,000 employees and
- > EUR 50 million in annual turnover or
- > EUR 25 million total assets

Consequently, the CSRD obligation does not apply to capital market-oriented SMEs and large companies with fewer than 1,000 employees.

Postponement of initial application

for companies subject to reporting requirements in waves 2 and 3 ("stop the clock") by two years.

A fast-track procedure is planned for the postponement of the reporting obligation.

Revision of ESRS standards

- Significant reduction in the number of data points planned
- Elimination of sector-specific reporting standards (ESRS Set 2)
- Continued obligation to perform a double materiality analysis
- Audit according to "limited assurance" – no increase to "reasonable assurance" planned

Voluntary reporting

The EU Commission is discussing the adoption of a delegated act for a voluntary reporting standard. This is to be based on the VSME standard developed by EFRAG.

The standard can be used by SMEs that are not (or no longer) subject to reporting requirements as an alternative to the ESRS.

Source: IPG Research, DFGE (Institute for Energy, Ecology and Economy)

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VSME – Structure and content

The legal framework

VSME: VOLUNTARY SME STANDARD

(finalized 12/17/24

Originally intended scope of application: Small and medium-sized enterprises with up to 250 employees.

Voluntary standard that helps small businesses provide ESG data in a **clear and straightforward manner**.

The **development took place in close cooperation** with market participants from various sectors—including banks, SMEs, and investors—accompanied by a cost-benefit analysis and the involvement of relevant standard-setting organizations.

Prepared by EFRAG (European Financial Reporting Advisory Group)

Source: IPG Research, DFGE (Institute for Energy, Ecology and Economy)

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VSME – Structure and content

VSME

The modules differ in terms of the number and depth of data points

Basic Module

- Recommended for micro-enterprises (up to 10 employees)

Examples:

- Energy consumption & CO_2 emissions
- Water and waste management
- Social factors such as working conditions & accidents
- Corporate ethics and governance structures

The application of the VSME standard itself is voluntary. When applied, **the Basic Module must be covered in its entirety** – provided that the content apply to the company ("if applicable").

Comprehensive Module

- Recommended for companies with between 10 and 250 employees
- Extends the Basic Module with specific reporting requirements

Examples:

- Climate risks & opportunities
- Strategies for reducing emissions
- Supply chain sustainability
- Human rights aspects

The **Comprehensive Module can also be reported on a voluntary basis.**. It is suitable for companies that strategically anchor sustainability or want to meet customer expectations.

Data points:

- ESRS 1140 vs. VSME 98
- 91% reduction in data points

Source: IPG Research, DFGE (Institute for Energy, Ecology and Economy)

CONTENTS INTENDED FOR IPG MASTERCLASS PARTICIPANTS

VSME – Structure and content

VSME

The VSME covers topics from the areas of environment, social affairs, and governance.

ENVIRONMENT

- Climate change
- Energy
- Pollution
- Microplastics
- Chemicals
- Water
- Marine resources
- Biodiversity
- Circular economy
- Waste

SOCIAL

- Health
- Working hours
- Salary Social
- dialogue
- Diversity
- Education/training
- Privacy
- Child/forced labor
- /Customers End users
- Affected communities

GOVERNANCE

- Corporate culture
- Animal welfare
- Political engagement
- Supplier relations
- Corruption and fraud

Focus: E1, E2, S1

This slide only shows a summary of the topics from Appendix B: List of possible sustainability topics.

Source: IPG Research, DFGE (Institute for Energy, Ecology and Economy)

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VSME – Structure and content

VSME

The Comprehensive Module as a supplement to the Basic Module

Basic Module

B1 – Fundamentals of reporting
B2 – Practices, guidelines, and future initiatives for the transition to a more sustainable economy

B3 – Energy consumption and greenhouse gas emissions **B4** – Air, water, and soil pollution **B5** – Biodiversity
B6 – Water
B7 – Resource use, circular economy, and Waste Management
B8 – Workforce – General characteristics
B9 – Workforce – Health and safety
B10 – Workforce – Compensation, Collective Bargaining, and Training
B11 – Convictions and fines for corruption and bribery

Comprehensive Module

C1 – Strategy: Business model and sustainability-related initiatives
C2 – Description of practices, policies, and future initiatives for the transition to a more sustainable economy

C3 – Emission reduction targets and climate transformation
C4 – Climate risks
C5 – Additional (general) characteristics of the workforce
C6 – Additional information on own workforce – Human rights policies and processes
C7 – Serious negative incidents relating to human rights **C8** – Revenue from certain sectors and exclusion from EU reference benchmarks
C9 – Gender balance in the management body

Source: IPG Research, DFGE (Institute for Energy, Ecology and Economy)

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VSME – Outlook & advantages

VSME

The VSME standard offers extensive benefits for companies

ADDED VALUE

Reduced reporting requirements and implementation costs

SMEs have to collect less complex ESG data and benefit from standardized yet adaptable and practical reporting structures.

Fulfilment of customer and supply chain requirements

The VSME enables companies to systematically meet the ESG requirements of their customers and suppliers by providing reporting structured in line with the ESRS.

Increased transparency and credibility

Through disclosure of ESG data using a recognized reporting standard

Future-proof

Sustainability regulations are constantly evolving. Early implementation of a reporting standard enables smooth adaptation to future legal requirements.

Source: IPG Research, DFGE (Institute for Energy, Ecology and Economy)

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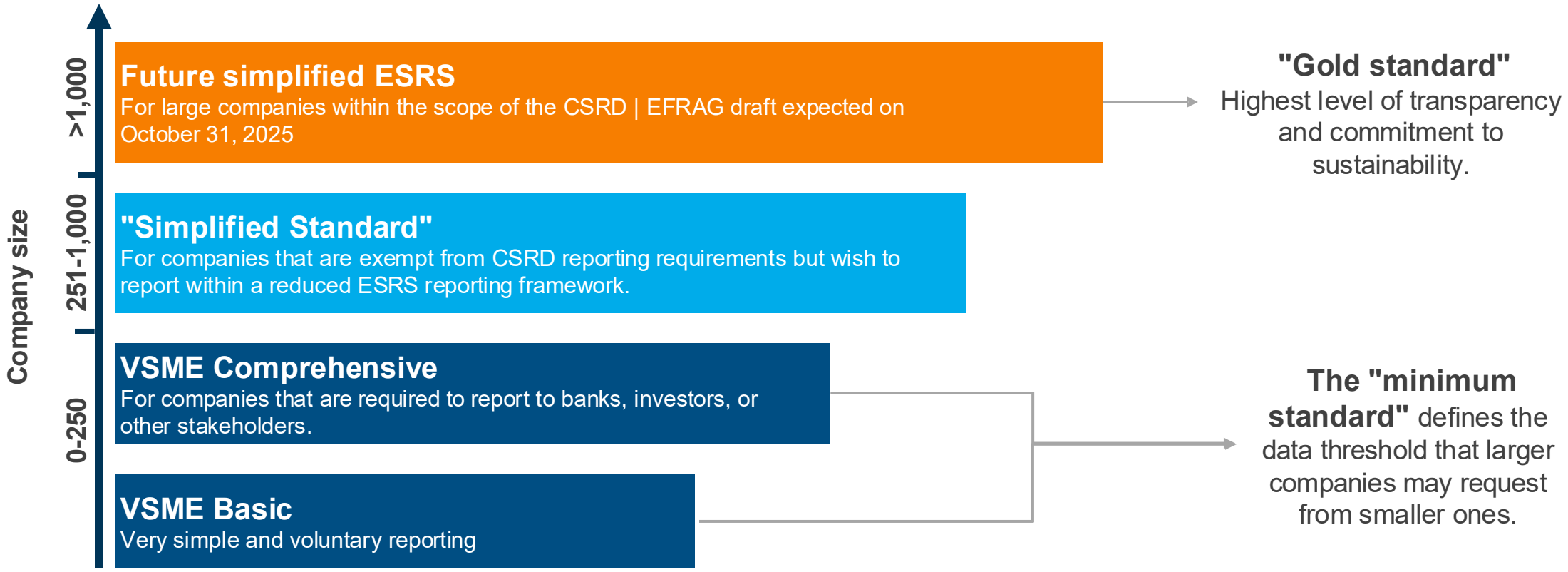
VSME – Outlook & recommendations for action

VSME

Differences depending on company size, from minimum to gold standard



Source: IPG Research, DFGE (Institute for Energy, Ecology and Economy)

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VSME – Outlook & recommendations for action

Using time effectively in times of regulatory uncertainty

VSME Minimum standard

Purpose: To meet the information needs of stakeholders (investors, customers, lenders) specifically for SMEs.

Goal: Simplified, cost-efficient sustainability reporting.

Focus: Voluntary disclosure of material sustainability aspects to improve competitiveness and stakeholder engagement

Customized ESG reporting

- ✓ Derivation of appropriate measures (avoiding duplication of work)
- ✓ Build a competitive edge and solid foundations (**minimum standard**)
- ✓ Use current resources to be better prepared for the future (**gold standard**)
- ✓ Derivation and orientation based on existing standards (ESRS / VSME)

ESRS Gold Standard

Purpose: Legally required, standardized sustainability reporting for large companies in the EU.

Goal: To increase transparency and comparability.

Focus: Mandatory and detailed reporting on a wide range of ESG topics (environmental, social, governance) in accordance with the principle of double materiality.

VSME is a **voluntary, simplified framework** for smaller businesses — aligned with ESRS principles but focused on **proportionality, practicality, and accessibility** for SMEs that need to report to larger clients or financial institutions.

ESRS is a **mandatory, comprehensive reporting system** for large companies under the CSRD, covering full ESG disclosure through a double materiality lens.

Source: IPG Research, DFGE (Institute for Energy, Ecology and Economy)

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