



7

Conclusion



The second Report of the Observatory of the SDGs in Portuguese companies, in line with its predecessor, offers in-depth knowledge of the implementation of the 2030 Agenda in the business sector in Portugal. It is a study that also offers a global vision of the evolution of the SDGs around the world, in Europe and Portugal, and brings to debate some fundamental themes about Sustainability in our country and, specifically, in the business sector. It is a publicly accessible instrument, among others produced by the Observatory, which aims to fulfill the central mission of this project: to accelerate the contribution of the Portuguese business sector to the Sustainable Development Goals.

The data in this report allows the conclusion that, since the previous year, there has been greater adoption of the SDG Agenda and Sustainability themes by Portuguese companies. However, some gaps remain in implementing the SDGs and Sustainability. Companies have shown they attribute great importance to these agendas but face difficulties in their implementation.

Through consultation and an in-depth study of 169 companies participating in the project, it was possible to conclude that there were several positive developments concerning Year 1 of the project.

The strategic alignment of companies with the SDGs has, overall, increased.

However, despite Large Portuguese Companies showing a level of involvement with the SDGs and a considerable and superior level of reporting, the path of Portuguese SMEs (despite having improved) is still at its beginning. This reality is a consequence of a more active attitude by Large Companies towards the 2030 Agenda. These companies demonstrate greater strategic and reporting alignment, greater commitment from Executive Committees and CEOs, and greater knowledge of the SDGs and their targets.

It is, however, important to highlight that the motivation of SMEs for a greater alignment with the SDGs is clear. Although these companies face less legislative pressure in these matters, they have shown to be alert concerning the need for operational and strategic alignment with Sustainability. Thus, it is essential to explore this topic from a scientific and practical point of view so that these (smaller) companies can fulfill their goals in contributing to the Sustainable Development Agenda.

It is also possible to conclude that, despite the different levels of involvement with the 2030 Agenda, both in Large Companies and SMEs, there remain challenges in implementing the SDGs. The lack of knowledge on operationalization continues to be the main barrier for companies in adopting the SDGs. This evidence, corroborated by the existence of a gap between the importance given to the SDGs and their effective implementation, is an alert to the need for greater training and practical work with companies to turn their ambitions into tangible actions.

Motivations

The motivations of the business sector for getting involved with the 2030 Agenda are diverse. In the case of Large Companies, the primary motivation is related to solving social and environmental issues through partnerships, followed by the opportunity to have an impact on the industry as a leader in Sustainability. It is also worth highlighting the growth of “consumer pressure” as a strong motivation. In the case of SMEs, it should be noted that the main motivations refer to the company’s positioning in the market, particularly the opportunity for business growth and the opportunity to gain competitive advantage and reputation. It is also worth highlighting their concern about complying with legislation.

It is also concluded that factors such as the development of partnerships, stakeholder involvement, alignment of the Executive Committee and CEO with the SDGs, knowledge of the SDGs and their targets, and training in this matter can be decisive for greater implementation of the SDGs and greater strategic alignment with Sustainability. These are factors that companies must consider if they want to increase their contribution to Sustainable Development and capture the benefits of implementing this Agenda, whether they be compliance, license to operate, market requirements, or gaining a competitive edge.

In general, the outlook for the implementation of the 2030 Agenda is positive.

Portuguese companies show commitment and strategic alignment with the SDGs but a variable preparation to comply with the upcoming legislative tsunami. Although, naturally, Large Companies lead the way in Sustainability, SMEs are already very alert to future challenges. Despite the identified difficulties, Portuguese companies have the necessary tools to lead the implementation of Sustainability from Portugal to the world.

In a global context of multiple and complex crises, growing environmental threats, and stark social inequalities, the role of the business sector is crucial. These companies have the resources, technology, processes, scale, and power to lead the necessary transformation. On the other hand, in a world increasingly volatile, companies need to be aware of the risks and manage the future with an advantage over competitors and existing uncertainties. No other agenda can guide companies as clearly as the Sustainable Development Goals. These are the only ones who, in their stability and ambition, can take humanity from the dream to the realization of the global and collective prosperity we aspire to. They are a certainty of Peace and Prosperity in a turbulent world. In the words of Paul Polman, they are “the best business plan we have” for the future.

It is, therefore, and as said a year ago, in these challenging times, that leaders stand out for their ability to dream and create a better world. This better world, where no one is left behind, where companies thrive in harmony with society (SDG 8 and 9), where we are all equal before the law, respecting individual dignity (SDG 10), and where we respect the planet and everything that exists in it (SDGs 13, 14 and 15), is already outlined in the 2030 Agenda for Sustainable Development, agreed between countries, companies and civil society, in September 2015.

It is with this certainty that we embark on the third year of the project, motivated to develop increasingly closer work with Portuguese companies, not only to support them in becoming Sustainability leaders from Portugal to the world but also so they can develop prosperous businesses, with the certainty that creating value for society is, undoubtedly, the best business strategy.

Therefore, the Observatory of the SDGs in Portuguese companies is committed to working with Portuguese companies to assist them in aspiring to manage with purpose, aligned with the principles of sustainable human development. To achieve that, this study continuity will be ensured, and practical and effective support to Portuguese companies will be provided on their path to Sustainable Development. We hope this second report from the Observatory of the SDGs in Portuguese companies is valuable and instructive. We count on everyone towards a future where companies can be increasingly responsible leaders in a society where we are all proud to live.

