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(ISAR)**

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Afternoon Session

**Agenda Item 3.
Practical implementation, including measurement, of core
indicators for entity reporting on the contribution towards
the attainment of the Sustainable Development Goals:
Review of case studies**

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Review of Sustainable Development Goals (SDGs) Disclosures in Egypt

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Objectives

- Examines the development, and the initiation of the Sustainable Development Goals (SDGs) in Egypt.
- Examines the level of commitment to the SDGs by the top listed companies in Egypt.



Why SDGs?

“SDGs are the blueprint to achieve a better and more sustainable future for all. They address the global challenges we face, including those related to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice.” (UN)

- Various aspects of SDGs ensure their importance to developing countries since they will help balance all types of needs including economic, environmental and social needs.
- SDGs implementation would result in prosperity for all; including current and future generations.



SDGs Development

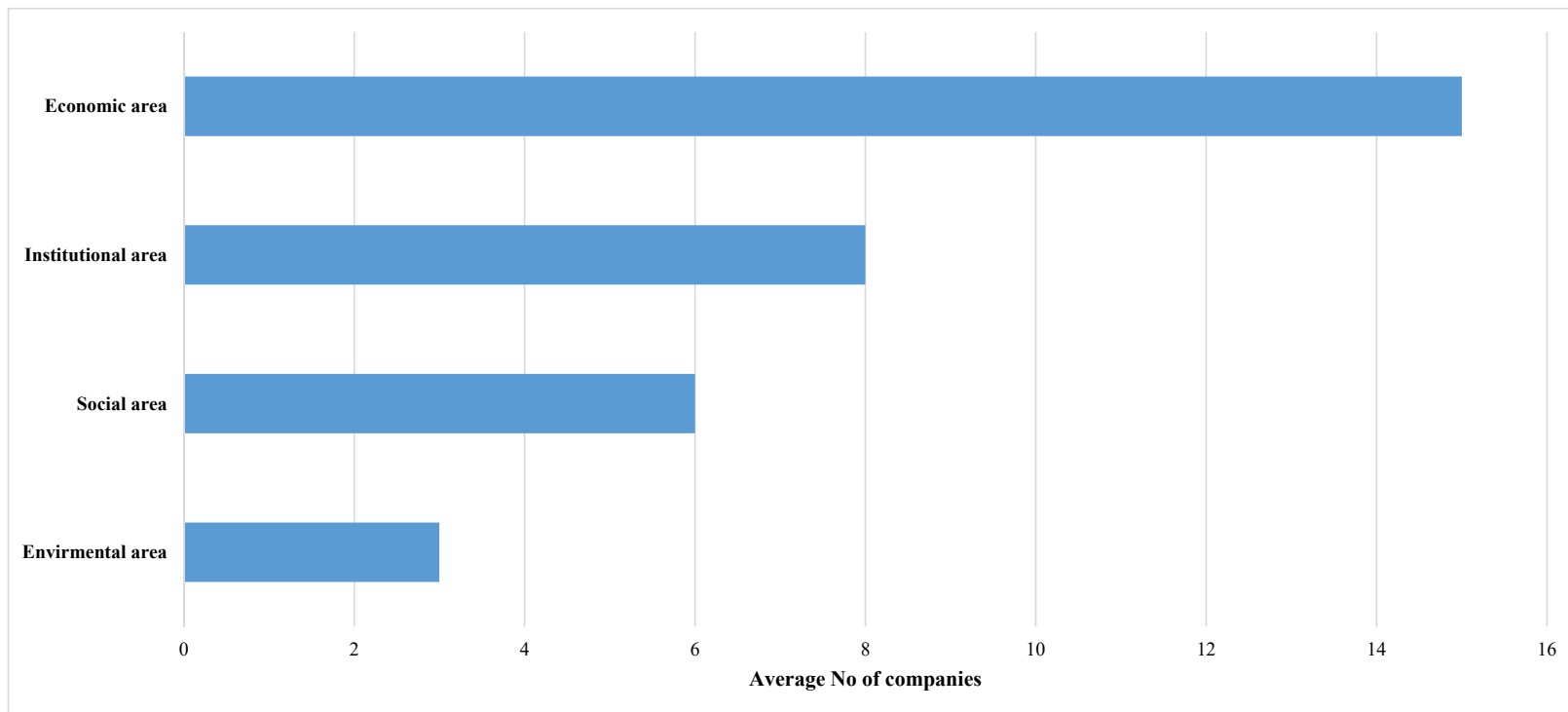
- Egypt started working with UNDP, fifteen years ago, to follow the MDGs.
- Since 2014, Egypt has been working on implementing a Sustainable Development Strategy (SDS) that is Egypt Vision 2030.
- The Egyptian constitution was reformed to include articles about the SDS/Vision 2030.
- Vision 2030 main objective is to have one goal to work towards: to enable Egypt to have a main role in the international sustainable environment and enhance the standard of living of the Egyptian citizens.



Methodology

- Method: ISAR 33 core SDGs indicators divided into four areas:
 - a) Economic, b) Environmental, c) Social, and d) Institutional area
- Sample of companies: EGX 30
- Survey type: manual survey of the annual reports, sustainability reports and websites
- Annual reports: 2017 reports

Disclosure by the average number of companies





Analysis

- Economic area is the most disclosed (average disclosure 15 companies; 50%): Four of the eight subcategories are disclosed higher than the area average.

These subcategories are required by accounting and tax laws.

- Institutional area ranks the second (average disclosure 8 companies; 27%): Four of the seven subcategories are disclosed higher than the area average.

These subcategories are corporate governance requirements which are included in the listing rules of EGX and relate to the focus of the Egyptian government on the role of women in business.



Analysis

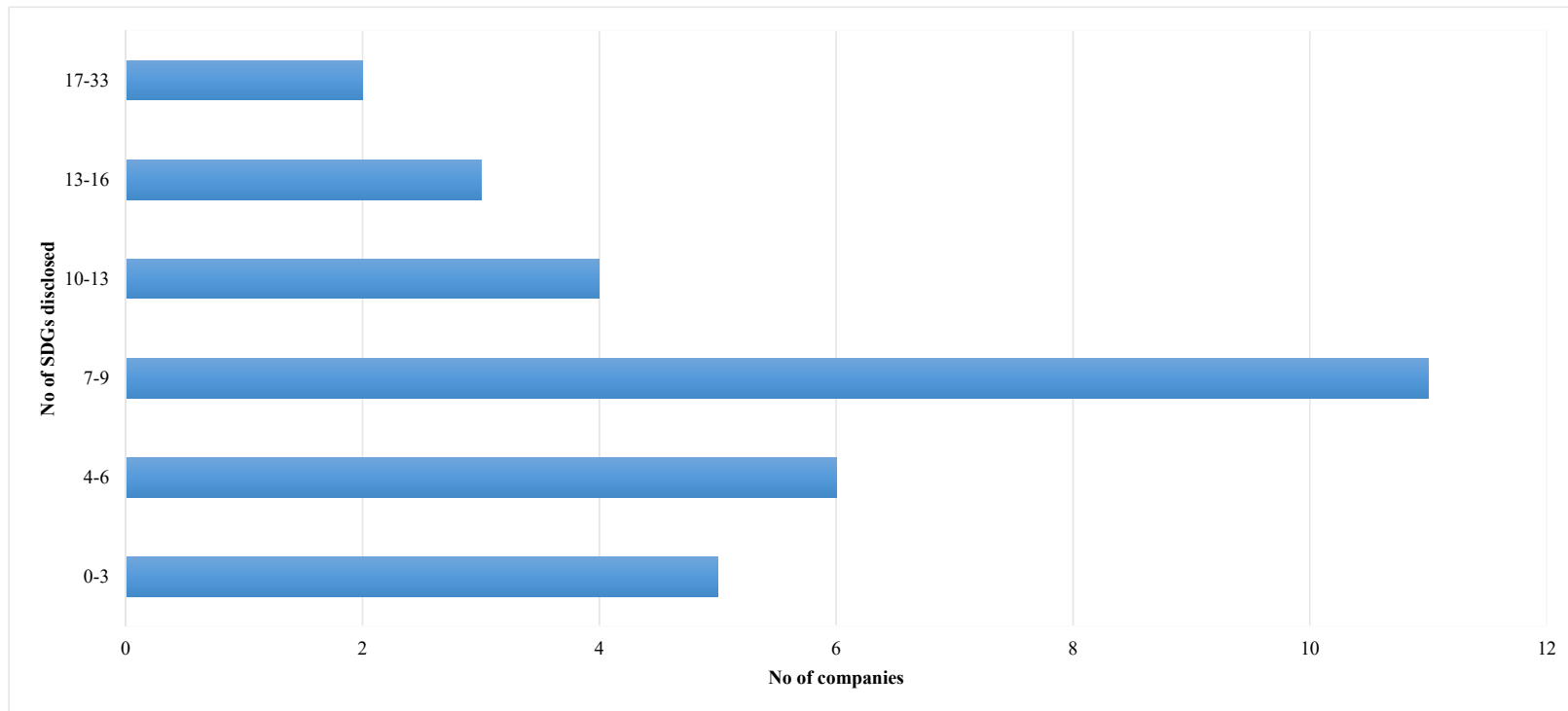
- Social area is the third disclosed area (average disclosure 6 companies; 20%): Three of seven subcategories are disclosed higher than the area average.

These subcategories relate mainly to financial information required by the accounting and tax authorities and are also related to the focus of the Egyptian government on the role of women in business.

- Environmental area ranks the fourth (average disclosure 3 companies; 10%): Four of the 11 subcategories are disclosed higher than the area average.

These subcategories mirror the government interest in energy, renewable energy, and water after the discovered deficiencies in electricity levels and problems over the water of the Nile.

Reporting by company frequencies





Results

The three top companies disclosing the maximum number of SDGs:

- The only ones that prepared sustainability reports.
- Stated in their reports that their sustainability activities are aligned with the United Nations Global Compact (UNGC) SDGs.
- Clarified in their reports which SDG reflects each of their activities and projects.



Results

Why these three?

- X is a subsidiary of one of the world's largest banking and financial services organizations.
- Y is the leading private sector bank in Egypt that recently won The Middle East's Best Bank for Corporate Responsibility.
- Z is a leading Egypt-based manufacturer specialized in the production, processing and packaging of dairy, juice, and cooking products, with notable success in Egyptian and Middle Eastern markets, while currently pursuing new growth opportunities with exports to East and West Africa, and Europe.



Moving forward

- SDGs disclosure is a novel idea in the Egyptian context.
- Results do not mean that companies' officials are defying the needed SDGs disclosure requirements.
- Low SDGs disclosure levels should be understood and expected, as many of the officials in the companies are unaware of the disclosure requirements.
- This indicates an urgent need for education and training to show the need and importance of the required SDGs disclosures and how they can benefit the companies.