EU Economic Growth

All major European economies are expected to grow but at a slower rate due to trade tensions and rising oil prices, driving up inflation.

Key Indicators

**Poverty and Social Exclusion**
- **23.5%** of the EU population or 118 million faced the risk of poverty or social exclusion in 2016.
- **24%** Proportion of Europeans aged 18 to 29 at risk of falling into poverty in 2015.

**Unemployment**
- **8.7%** Unemployment rate in December 2017, the lowest since January 2009.
- **18.7%** Youth unemployment rate in August 2017, crossing 35% in some countries.

**Gender pay-gap**
- **16.3%** Lesser pay for women as compared to men, equivalent to 2 months of free work.

**Climate Change**
- **€450bn** Economic losses due to climate related changes between 1980 and 2016.

Top Regional Actions

- **Europe 2020 Strategy** aims to lift at least 20 million from the risk of poverty or social exclusion by 2020.
- **Two year plan proposed in 2017 by European Commission to close the gender wage gap**.
- **14 European countries called for a more ambitious climate strategy for the EU that goes beyond the Paris Agreement**.

Source: World Bank EU GDP Growth Annual %
Source: Eurostat
Source: Eurostat
Source: Public Finance International
Source: EEA
Source: European Commission
Source: Reuters: EC on Gender Wage Gap
Source: Euroactive
How Local Networks Help Business Drive Global Goals Implementation on the Ground

90% European companies indicate that the Global Compact has been significant in spreading the practice of corporate sustainability worldwide.

- 74% of European companies find the Local Networks helpful in assisting with Communication on Progress (CPD).
- 69% of European companies find the Local Networks helpful in building networks with other companies.

Global Compact Local Networks in Europe

- Austria
- Belarus
- Belgium
- Bulgaria
- Croatia
- Czechia
- Denmark
- France
- Georgia
- Germany
- Greece
- Israel
- Italy
- Macedonia, The FYR
- Netherlands
- Nordic Countries
- Poland
- Portugal
- Romania
- Russia
- Serbia
- Slovenia
- Spain
- Sweden
- Switzerland
- Turkey
- UK
- Ukraine

There are five key ways in which the UN Global Compact is mobilising business to engage systematically over the long term to contribute to the Global Goals in Europe through its Local Networks:

- **Organizing Local Awareness-Raising Events**

  196 multi-stakeholder events on the Global Goals were organised. Which reached 4008 companies in Europe.

- **Develop and Disseminate Tools & Resources**

  Build the capacity of business through sharing know-how and resources to embed the Ten Principles in business models and operations, and foster leadership through aligning strategies with the SDGs. 278 capacity building workshops were held reaching 2418 companies.

- **Facilitate Public-Private Partnerships and Dialogues**

  Facilitate engagement with Governments, UN country teams, civil society, academia and other stakeholders around public policy dialogues to contribute to the development of a National SDG Action Plans.

- **Participation in Public-Private Partnerships**

  18 Local Networks were involved in Public-Private Partnerships in the region in total these partnerships involved 712 companies. 10 Local Networks are contributing to their government’s Voluntary National Review.

- **Mobilise Financing**

  Contribute to mobilise private financial resources to advance the Global Goals. 5 Local Networks are engaged with Principles for Responsible Investment.

- **European companies find the Local Networks helpful in assisting with Communication on Progress (CPD).**
- **European companies find the Local Networks helpful in building networks with other companies.**

Source: UN Global Compact Annual Survey 2018; UN Global Compact Local Network Survey Data (Synthesis Report)
UN GLOBAL COMPACT: AN ANALYSIS OF CORPORATE PROGRESS IN EUROPE  |  2018 KEY FACTS

Source: UN Global Compact Annual Survey 2018

Overview

69% European companies report that corporate responsibility policies and strategies are developed and/or implemented by the Chief Executive Officer.

608 European Company Respondents

28 European Local Networks

Companies reporting to have a positive impact on the Global Goals

- No Poverty: 50%
- Zero Hunger: 46%
- Good Health and Well-Being: 82%
- Quality Education: 67%
- Gender Equality: 81%
- Clean Water and Sanitation: 33%
- Affordable and Clean Energy: 80%
- Decent Work and Economic Growth: 88%
- Industry, Innovation and Infrastructure: 77%
- Reduced Inequalities: 70%
- Sustainable Cities and Communities: 56%
- Responsible Consumption and Production: 75%
- Climate Action: 63%
- Life Below Water: 26%
- Life on Land: 30%
- Peace, Justice and Strong Institutions: 49%
- Partnerships for the Goals: 54%

Top Actions Taken to Implement the Ten Principles

- Address Human Rights within an Overall Corporate Code: 80%
- Address Environment through sustainable consumption: 79%
- Address Labour through safe working conditions: 92%
- Address Anti-Corruption through overall corporate code: 81%

Top Goals Targeted

- 92% European companies report to have policies and practices in place related to Human Rights.

Why companies report publicly

- 80% Improves corporate reputation
- 80% Helps integrate responsibility commitments
- 71% Demonstrates active participation in the UN Global Compact

Barriers to public reporting

- 70% Insufficient internal process to monitor, measure and report
- 66% Lack of resources
- 62% Too many reporting standards and frameworks

Source: UN Global Compact Annual Survey 2018

Supply Chain Alignment

- Include Expectations in Contractual Documents: 62% (Europe), 61% (Global)
- Assist in Setting and Reviewing Goals: 16% (Europe), 15% (Global)
- Reward Good Performance: 15% (Europe), 13% (Global)
- Staff Training on Supply Chain Sustainability: 36% (Europe), 33% (Global)
- Conduct Due Diligence: 42% (Europe), 45% (Global)
- Provide Supplier Training: 18% (Europe)

Implementing Sustainability

- Actions Companies Are Taking to Implement Sustainability in Their Supply Chain:
  - Take Actions to Advance Global Goals: 75% (Europe), 80% (Global)
  - Risk and Opportunity Assessment for Global Goals: 34% (Europe), 40% (Global)
  - Impact Assessment: 25% (Europe), 28% (Global)
  - Integration into Annual Financial Report: 46% (Europe), 45% (Global)
  - Monitor and Evaluate Performance: 56% (Europe), 56% (Global)
  - Public Communication of Commitments: 80% (Europe), 79% (Global)

Why Join the UN Global Compact?

- Top Three Reasons European Companies Join the UN Global Compact:
  - Increase trust in company through public commitment to sustainability: 80%
  - Universal nature of the Ten Principles: 60%
  - Acquire knowledge to advance sustainability into operations and strategy: 58%

Challenges Companies Are Facing in Integrating Sustainability in Their Supply Chain:

- Not a Priority: 42%
- Lack of Capacity: 26%
- No Clear Link to Business Value: 22%
- Lack of Knowledge: 20%
- Lack of Financial Resources: 17%
- Corporate Responsibility Data Unavailable: 13%

Is Your Company Engaged in a Global Compact Local Network?

- Yes: 80%
- No: 60%
- Unsure: 58%