



# Reporting on sustainable development of the Russian Federation. Current situation and development prospects

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## ISAR: Goals and objectives

The project will develop and implement tools that will enable policymakers to create a sustainability / reporting mechanism for the achievement of the Sustainable Development Goals through the coordinated efforts of relevant national actors. Another goal of the project is to assist governments in collecting comparable and reliable information on the contribution of the private sector to the achievement of the Sustainable Development Goals at the national level, in accordance with the global framework for these goals.

**The aim** of these initiatives is improving the investment climate and promote sustainable development.

**The key objective of ISAR** is to strive to form, through an integrated research process, intergovernmental consensus, technical cooperation, the dissemination of information.



## UNCTAD and ISAR

UNCTAD has developed the Key Indicator Guidelines as a tool to assist companies in compiling accounting baselines for indicators in line with financial reporting requirements and in line with the SDG macro indicators on the use of financial, natural and human resources at the national level.

Representatives of the Ministry of Finance of Russia took part in the 35th and 36th sessions of the Intergovernmental Working Group of Experts on International Accounting and Reporting Standards (ISAR) of the United Nations Conference on Trade and Development (UNCTAD).

The Russian Federation is ready for an active dialogue.

# International Accounting and Reporting Standards for Sustainable Development (ISAR): Priority Steps of the Russian Federation

1. Implementation of paragraph 12.6.1: “Number of companies publishing sustainable development reports”, which UNCTAD is developing jointly with the UN Environment as custodians of this indicator.
2. Taking steps towards the harmonization of sustainable development reporting as a means of making it comparable, useful and consistent with the Goals monitoring system.



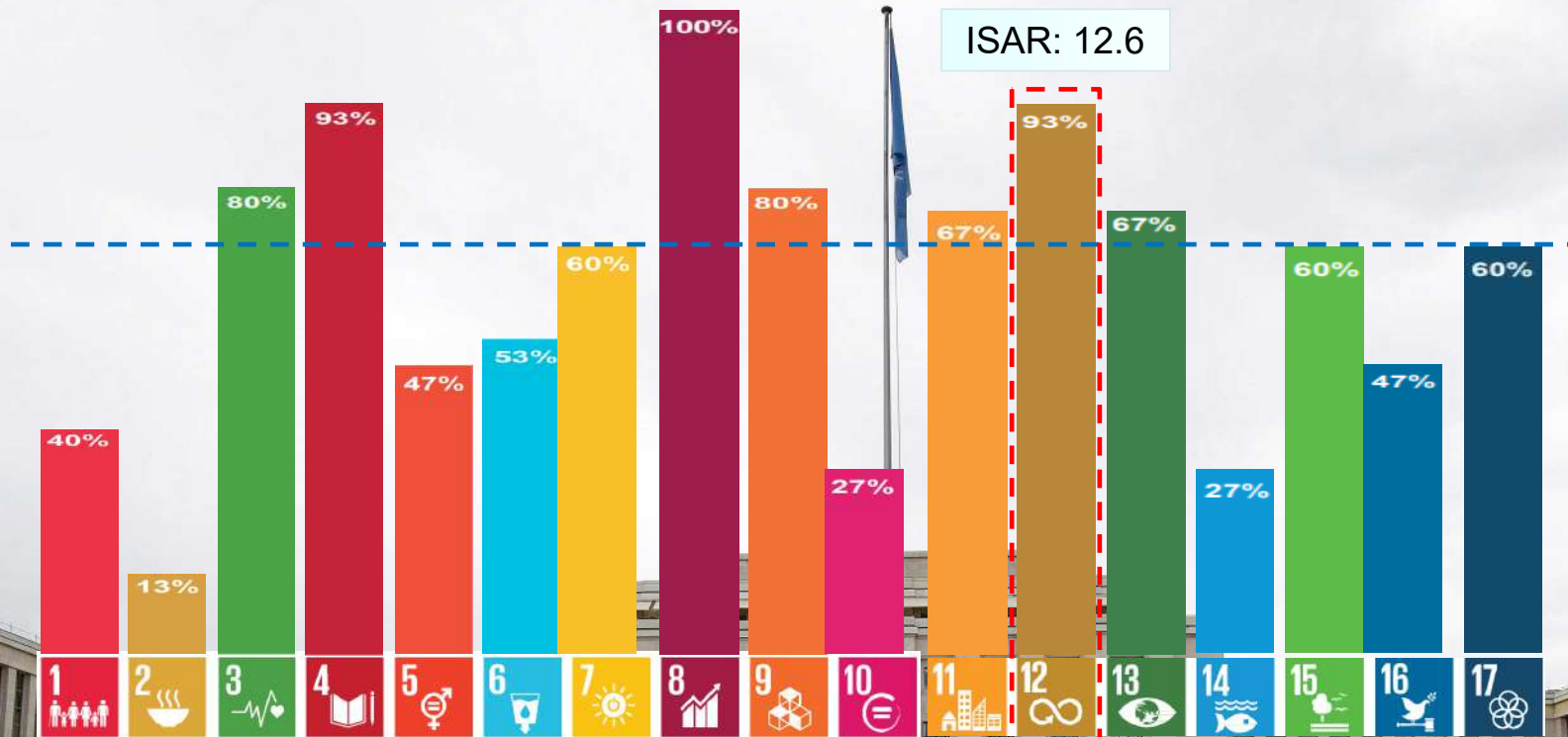
# Russian Federation: Status of SDG Indicator Development



- 79 - developed
- 9 - in development
- 159 - planned

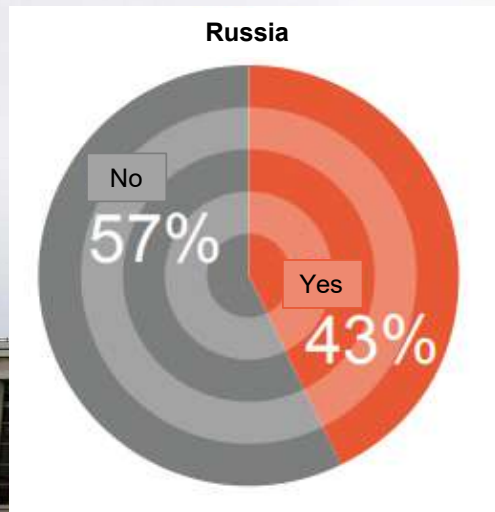


# Russian Federation: Business Prioritization of the SDGs

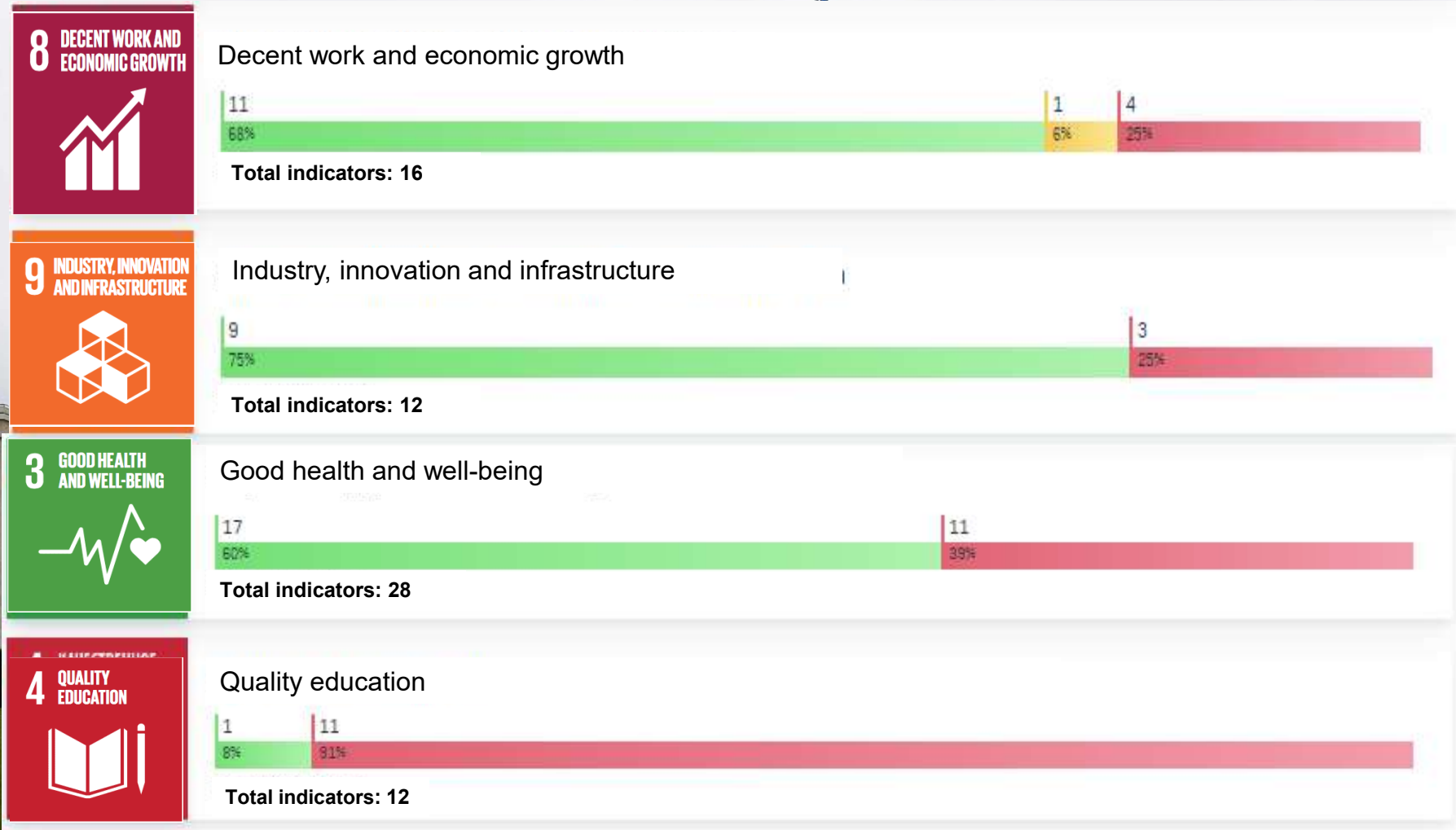




# Russian Federation: share of companies mentioning the SDGs in their reporting



# Russian Federation: Status of Development of Priority SDG Indicators for Business





# Russian Federation: Status of Development of Priority SDG Indicators for Business



Implementation of clause 12.6.1

Under the United Nations Environment Program (UNEP) and the United Nations Conference on Trade and Development (UNCTAD).

**Data collection:**

First data collection: Expected in early 2020 for the company's 2019 reports.  
Further annually.

**Data release:**

First reporting cycle: 2020  
Further annually.

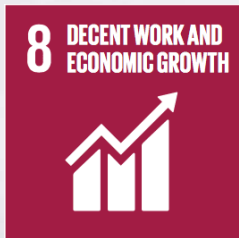
## COVID - 2019

The COVID-19 pandemic offers countries the opportunity to develop recovery plans that will reverse current trends and change our consumption and production patterns towards a more sustainable future. Sustainable consumption and production aims to “do more and better with less”. They also aim to overcome the direct link between economic growth and environmental degradation, improve resource efficiency and promote more sustainable lifestyles.

The current crisis represents an opportunity for a deep, systemic transition to a more resilient economy that benefits both people and the planet. The emergence of COVID-19 has highlighted the relationship between humans and nature and revealed the fundamental principles of the trade-off that we constantly have to make: the needs of people are unlimited, but the planet's ability to meet them is limited.



# Hidden competitive advantages for business acquired as a result of involvement in the implementation of priority SDGs (1/3)



1. Reducing socio-economic, political and currency risks.
2. Stable consumer demand.



1. The ability to localize production.
2. Creation of new sales and consumption markets.
3. Improving the productivity of existing markets.
4. Opportunities for local companies to enter foreign markets (export).

# Hidden competitive advantages for business acquired as a result of involvement in the implementation of priority SDGs (2/3)



1. Consumer demand growth.
2. Labor force growth.
3. Prospects for the implementation of new projects in the field of healthcare, including in the PPP format.



1. The growth of a skilled workforce.
2. New services and innovative solutions on the market in the field of education and culture.



# Hidden competitive advantages for business acquired as a result of involvement in the implementation of priority SDGs (3/3)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



1. Long-term access to resources and natural capital.
2. Increasing competitiveness through the creation of new markets and product differentiation (production of environmentally friendly and certified goods, as well as innovative products and solutions).
3. Meeting specific demand and loyalty from socially and environmentally responsible consumers.
4. Reducing costs through rational resource management.
5. Expanding opportunities for participation in the system of “sustainable” public procurement.

A wide-angle photograph of the Norwegian Parliament building (Stortinget) in Oslo. The building is a large, classical-style structure with many windows and a central portico. In the foreground, there is a large green lawn with a central stone path leading to a globe sculpture. A flagpole with the Norwegian flag stands in the middle ground. The sky is overcast with grey clouds.

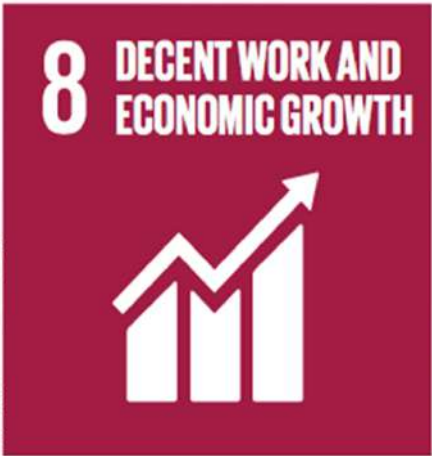
# Disclosures of companies in relation to priority SDGs using the example of the communications and telecommunications industry



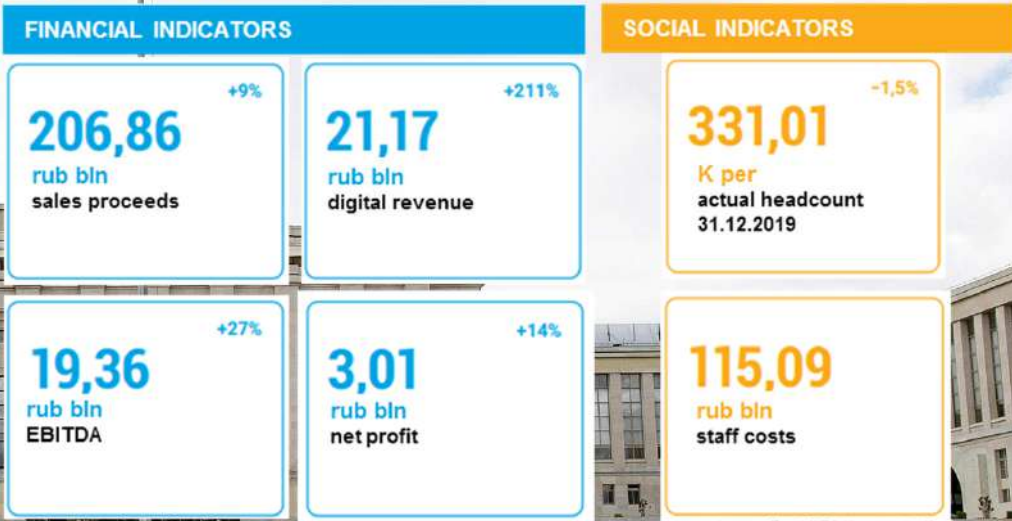
**RUSSIAN  
POST**



# Disclosures of companies in relation to priority SDGs using the example of the communications and telecommunications industry (1/6)



## Key indicators of Russian Post 2022





# Disclosures of companies in relation to priority SDGs using the example of the communications and telecommunications industry (2/6)



## Key indicators of Russian Post 2022

net profit

**3 011** million rubles  
**+14%**

volume of charitable projects

**9** million rubles

taxes and fees

**55 123** million rubles

social payments

**498,17** million rubles

# Disclosures of companies in relation to priority SDGs using the example of the communications and telecommunications industry (3/6)

## Key indicators of Russian Post 2022

### ECOLOGICAL INDICATORS

**12** RESPONSIBLE CONSUMPTION AND PRODUCTION



**5,60**

petajoule  
total consumption of  
heat and electricity

+21,5%

**3,50**

thousand tons  
greenhouse gas  
emissions

-14,5%

**52,61**

thousand tons  
total waste  
mass

**16,13**

million rubles  
costs of preventing negative impact on the  
environment and the environmental management  
system

-7,3%

**1,38**

thousand tons  
the volume of emissions  
into the atmosphere of  
significant types of  
pollutants

+2,2%



# Disclosures of companies in relation to priority SDGs using the example of the communications and telecommunications industry (4/6)



## Key indicators of Russian Post 2022

### PRODUCTION INDICATORS

**436,5**

+0,1%

million pcs  
parcels, EMS,  
small packages

### ECOLOGICAL INDICATORS

**1,38**

+2,2%

thousand tons  
volume of emissions into  
the atmosphere of  
significant types of  
pollutants

**3,50**

+21,5%

thousand tons  
greenhouse gas  
emissions

# Disclosures of companies in relation to priority SDGs using the example of the communications and telecommunications industry (5/6)



## Key indicators of Russian Post 2022

### SOCIAL INDICATORS

**9**  
million rubles  
charitable and social  
investments

**2,36** -8,2%  
injury rate



# Disclosures of companies in relation to priority SDGs using the example of the communications and telecommunications industry (6/6)



Key indicators of  
Russian Post 2022

## SOCIAL INDICATORS



Source: Russian Post JSC, Annual report, 2022



# Rostelecom



# Disclosures of companies in relation to priority SDGs using the example of the communications and telecommunications industry (1/5)



Key indicators of Rostelecom 2022

## FINANCIAL INDICATORS

337,4

rub bln  
sales proceeds

16,5

rub bln  
net profit

106,5

rub bln  
OIBDA

## SOCIAL INDICATORS

~127

K per  
actual headcount

74,7

rub bln  
staff costs

# Disclosures of companies in relation to priority SDGs using the example of the communications and telecommunications industry (2/5)



Key indicators of Rostelecom 2022



## ECOLOGICAL INDICATORS

**9,7 %**

total reduction in greenhouse gas emissions of types 1, 2 and 3

**4 %**

reduced water consumption

**3 %**

reduction in the amount of rest

**159,6**

million rubles investments and costs for environmental protection



# Disclosures of companies in relation to priority SDGs using the example of the communications and telecommunications industry (3/5)



## Key indicators of Rostelecom 2022

**337,4** billion rubles revenue in 2019

**37** million households coverage of optical access networks

**126,9** thousand employees

**13,2** million users

Direct access to the networks of **150** telecom operators in 70 countries

**10,4** million pay TV subscribers

**25** Tbit/sec backbone capacity

**1,7** million subscribers of MVNO

# Disclosures of companies in relation to priority SDGs using the example of the communications and telecommunications industry (4/5)

Key indicators of Rostelecom 2022



Society

## SOCIAL INDICATORS

**3** GOOD HEALTH AND WELL-BEING



**1,2**

billion rubles  
total budget for  
increases  
salaries

**42%**

female  
employees

**7%**

labor productivity  
growth

**56%**

employees  
have been  
trained

**772,8**  
million rubles  
investment in  
labor protection



# Disclosures of companies in relation to priority SDGs using the example of the communications and telecommunications industry (5/5)

Key indicators of  
Rostelecom 2022



corporate  
governance

## SOCIAL INDICATORS



**575,4**  
million rubles  
training costs  
for staff

The image features the MIT logo, consisting of a red oval followed by the letters 'MIT' in a bold, red, sans-serif font. This logo is centered on a white rectangular background. The background of the entire image shows a green lawn in the foreground, a stone path leading to a flagpole with a blue flag, and a white building with windows in the background under a cloudy sky.

**MIT**



# Disclosures of companies in relation to priority SDGs using the example of the communications and telecommunications industry (1/4)



Key indicators of  
MTS 2022

## FINANCIAL INDICATORS

**476,1**

rub bln  
sales proceeds

**54,2**

rub bln  
net profit

**210,3**

rub bln  
OIBDA

## SOCIAL INDICATORS

**~64,2**

K per  
actual headcount

# Disclosures of companies in relation to priority SDGs using the example of the communications and telecommunications industry (2/4)



Key indicators of MTS 2022



## ECOLOGICAL INDICATORS

696 K

tons CO<sub>2</sub>-equivalent greenhouse gas emissions

30,5%

reduction in the purchase of electronic equipment

19,5%

reduction of office paper consumption

160,6

million rubles investments and costs for environmental protection

MTS entered the top 10 Russian companies in terms of disclosure of information on climate change according to the CDP standard, which indicates a high level of transparency in the area of disclosure environmental information and deep understanding by the Company of its own impact on the climate



# Disclosures of companies in relation to priority SDGs using the example of the communications and telecommunications industry (3/4)



## Key indicators of MTS 2022

**476,1** billion rubles revenue in 2019

**64,2** thousand employees

**86,9** million users

**>30** thousand base stations (67% LTE)

# Disclosures of companies in relation to priority SDGs using the example of the communications and telecommunications industry (4/4)



Key indicators of  
MTS 2022



Society

## SOCIAL INDICATORS

604

thousand rubles  
average employee  
salary per year

35%

female  
employees

15,7

taxes and fees

15,34

h / person  
Average amount  
hours of study  
per year

859,3

million rubles  
directed to  
charitable  
and social  
projects





**Certainly, despite the initial stage of involving the Russian Federation in the implementation of sustainable development goals, we observe exceptional interest in the example of the companies represented.**

# Main problems of SDG implementation in Russia

Low level of consistency in the approach to the implementation of the SDGs. Low intensity of work on the SDGs in the country and slow implementation of the SDGs in national strategic documents.

Lack of a single curator (department) of the area, whose tasks would include linking the goals and objectives of the UN Agenda 2030 with national development goals.

Inconsistency of actions of the policy of the Russian Federation, high level of political corruption.

Insufficient disclosure of financial and other performance indicators, as well as information on specific tasks that companies set themselves to achieve the SDGs.



## ISAR: Main problems and challenges

Problems arising from the voluntary nature of disclosures that affect the quality and comparability of such information.

Disclosure practices become scaled, consistent and comparable only after government approvals are obtained.

Ensuring consistency with International Financial Reporting Standards. Determining the boundaries of the reporting entity. The assumptions and methods underlying the financial reporting should be applied in reporting sustainability / SDG achievement.

Disclosures of immaterial information make it difficult to understand non-financial statements. Makes essential data hard to read.

Thank you for attention!

