

A Renewed Commitment on Sustainable Development

*UN Global Compact
Communication on Engagement*

October 2018

Communication On Engagement – FEEM

Summary

| | |
|--|---|
| FEEM foreword and statement of renewed commitment on Sustainable Development | 3 |
| Research activities..... | 4 |
| FEEM People..... | 7 |
| Communication and dissemination | 7 |
| Policy advocacy and partnerships | 8 |
| Support to policy making at national and local level..... | 8 |
| Networking..... | 8 |

FEEM foreword and statement of renewed commitment on Sustainable Development

Over recent years, the centrality of sustainable development has been increasingly established. The most significant event is represented by the approval of the new Agenda for Sustainable Development, "Transforming our World by 2030 - New Agenda for Global Action", which has redefined, with a transversal and integrated approach, the global goals aimed to meet the challenges of the coming three decades. The Agenda is a global pact to "leave no one behind" and calls upon all organizations - public, private, profit and non profit - and civil society to become partners along the path to achieve common goals.

Fondazione Eni Enrico Mattei (FEEM) is a leading institution in the field of research on a wide range of environmental, energy and global economic issues. As such, FEEM is aware of its important role in the promotion and implementation of the **Ten Principles of the UN Global Compact** and the **2030 Agenda**, which are areas of primary concern of FEEM activities and research that are aimed to develop and implement tools for achieving the **Sustainable Development Goals (SDGs)**.

Thanks to the interdisciplinarity of its research, the attention devoted to integrated themes and approaches, collaborations and networks, FEEM can give a key contribution to the promotion of a sustainable future by developing theoretical and applied research projects, disseminating knowledge and supporting the key players of sustainable development. FEEM's **Code of Conduct** commits the organization to act in line with UNGC Principles, encourages sustainable behavior from an environmental and social point of view, promotes the responsible use of natural resources in daily activities (**Principles 7, 8 and 9**) and underlines the importance of human relationships (**Principles from 1 to 6**). Furthermore, the Code rejects corruption and lack of transparency by implementing the tools to counter them (**Principle 10**). In 2015, FEEM adopted a new "Organisational, Management and Control Model" pursuant to Italian Legislative Decree 231/2001 including a new Surveillance Body, which monitors the functioning, effectiveness and compliance to the Model.

In order to bring about a pervasive change, FEEM is constantly involved in networking activities to enhance the skills of its researchers and to reach out to all policy levels. For this purpose, FEEM is the national **office and hosting institution of several major international networks** in the field of sustainable development, including the **Global Compact Italian Network** Foundation (GCNI) and the **Sustainable Development Solutions Network** (SDSN Italy), an initiative that aims at contextualizing the 2030 Agenda into the local Italian reality.

Following the above considerations, FEEM's participation in the Global Compact (GC) represents the opportunity of pursuing action at both the national and international level. The alignment of goals between the GC and FEEM is a very important lever of sustainable development in the global change path. For this reason, **the Foundation renews its commitment to the initiative of the UN Global Compact and its ten principles in order to promote a more sustainable culture able to support a responsible and inclusive global growth.**

Research activities

FEEM has carried out high-level research on sustainable development since its origin, with emphasis on different issues that cover both the economic development and climate change, with special focus on solution initiatives that enables to fulfil the Agenda 2030. This focus has allowed FEEM to establish itself, over the years, as an internationally recognized research center and a think tank with a solid reputation for policy advocacy activities. This position has become increasingly consolidated thanks to FEEM's active participation in the most important international key-events dedicated to the 2030 Agenda, such as the T20, think tank for the G20, the HLPF, the UN General Assembly etc..

To better align FEEM's core activities with the new directions of international research on sustainability, and to respond to its stakeholders' requirements, in 2017 FEEM has renewed and reorganized its research programmes.

Society and Sustainability (SAS) program aims to enhance scientific knowledge and disseminate awareness about some rapidly emerging themes that concern the relationship between sustainable development, society, and economic activities.

The program aims at encouraging the transition to the paradigm delineated in the 2030 agenda for sustainable development and the related Sustainable Development Goals (SDGs), in which societies are represented as complex systems of interacting communities, companies, and public institutions, asked to strictly cooperate to improve the development, cohesion and environmental quality.

The activities of the SAS research program for the year 2017-2018 concern two pillars, hereby presented, both facing sustainability but from different perspectives, with different analytical methods, expected policy results, and potential beneficiaries.

Firms, markets and sustainability

Climate risk management in companies

- Identification, valuation, mitigation, and disclosure of climate risks, in collaboration with major firms in the agri-food, insurance, energy, and utilities sectors;
- Assessment of the role of the financial sector;
- Talks with firms and associations to raise the awareness about the risks associated to the climate change.

Sustainable business model innovation

- Study of the relationship between societal change and business model innovation (low-carbon products and services, clean technologies, new relationships with customers and local communities) paying attention to enabling modes (non-financial disclosure, investors long-terminism, innovation spreading in companies).

Sustainable and resilient cities

Land-use change analytical models

- Quantitative assessment of the existing relationships between urbanisation processes driven by changes in the demographic and economic trends and transport modes and results in terms of land uptake and urban patterns and, indirectly, of sustainability (GHG emissions, soil C-sink, water cycles) and urban resilience (impact on ecosystem services);
- Qualitative analysis of nature-based solutions for cities decarbonisation and extreme events risks reduction;
- Set-up of a high-resolution spatial econometric model accounting for spillover effects in forecasting land-use change in response to a change in the socio-economic and environmental scenarios.

Methods for the economic evaluation of ecosystem services

- valuation of the costs caused by the alteration of natural ecosystems (and of the benefits accruing from their conservation) using non-market approaches;
- analysis of market instruments to internalise the ecosystem services related external costs/benefits to prevent long-run inefficient human behaviours;
- set-up of an evaluation model to integrate the role of ecosystem services in planning and natural resource management policies.

Climate and Sustainable Innovation (CSI)

At the end of 2017, two previous programs, which focused mainly on climate (MITP and EIA), have been re-organized in the new program «Climate and Sustainable Innovation – CSI». The primary focus of the research program on 'Climate and Sustainable Innovation - CSI' is the transition to a sustainable global economic system.

The transition process involves the reduction of greenhouse gas emissions, the management of local pollution, innovation and technological change, and the use of renewable and non-renewable resources. These issues are assessed from an economic perspective, and they are addressed within a framework of economic and public policy analysis. In these fields FEEM builds upon twenty years of cutting-edge research.

Other important goals of this program are: research for scientific progress, support to policy and participation in the public debate. The CSI program has an integrated and interdisciplinary approach. It pursues its goals with methodological rigor to study the different aspects of the economic and environmental transition.

Energy Scenarios and Policy (ESP)

FEEM's "Energy Scenarios and Policy - ESP" research program aims to carry out interdisciplinary, scientifically sound, prospective and policy-oriented applied research, targeted at political and business decision makers.

This aim is achieved through an integrated quantitative and qualitative analysis of energy scenarios and policies. The innovative and interdisciplinary approach puts together the major factors driving the change in

global energy dynamics (i.e. technology, economy, geopolitics and sociological aspects). The ESP program applies this methodology to a wide range of issues (energy demand and supply, infrastructures, financing, market analyses, socio-economic impacts of energy policies) that are explored from economic, geopolitical and institutional perspectives.

In particular, among the research activities of the ESP program, *The sustainable energy transition in Sub-Saharan Africa* aims to contribute to understanding Sub-Saharan Africa's current and future energy challenges and opportunities in the framework of the Agenda 2030. In particular, the project will:

- Highlight key actions in the energy sector that can contribute to a more rapid economic and social development in sub-Saharan Africa.
- Examine how existing and emerging oil and gas producers can maximize the value of their resources for economic development by taking into consideration previous international experiences.
- Identify the benefits that greater regional integration of the energy sector can bring, as well as mapping the future role of sub-Saharan Africa in the wider energy system, with particular reference to the Mediterranean region and Europe.

In order to foster integration among all its activities and to improve multidisciplinary FEEM includes also cross-cutting themes:

- **Agenda 2030** – the area is a cross strategic key of all FEEM activities and, in particular, systematizes studies and analyses on issues related to the 2030 Agenda, assessing the synergies and trade-offs involved in achieving the relevant SDGs in 2030 and exploring the role of the private sector in achieving the SDGs. The cross-cutting theme will focus on the FEEM core research, thus on **SDG7** ("Ensure access to affordable, reliable, sustainable and modern energy for all"), and **SDG13** ("Climate action"); it will also focus on climate finance, a crucial driver of the investments that are required to achieve Sustainable Development Goals;
- **Climate change and migrations** – this is a very highly sensitive economic and policy issue. Migrations towards Europe are presently at the heart of the political debate and search for consensus. But migrations around the world, particularly in developing countries are an even hotter topic. It is therefore crucial to understand their link with climate change and how future impacts of a changing climate, steadily increasing, will induce even larger migration phenomena.
- **Pathways to sustainability in Africa** – it consists in a series of research, studies, events, capacity building initiatives in Africa. They have been designed to give FEEM a role as a think tank providing knowledge production and dissemination on sustainable development in Africa, particularly Sub-Saharan Africa.
- **Local projects for sustainable development** – intends to contribute to the economic and social development of local communities through scientific research, applied research and advanced training and dissemination initiatives. The activities take place in agreement with the territory, in collaboration with local public and private institutions. There is a constant dialogue among FEEM and the key actors of the territory for the achievement of the common goal of a sustainable local development.

FEEM People

People and intellectual capital are FEEM's key resources. It is through the work of FEEM researchers and staff that FEEM disseminates knowledge and awareness of sustainable development. FEEM works with institutions to support the economic and social fabric of our Country (**Principles from 1 to 6 and SDG 8**).

In 2017 there were 158 people working at FEEM, 52% of them are researchers.

Rejecting any kind of discrimination, the gender audit yields a balanced mix in the organization, with a prevalence of women (60% in 2017). This pattern is observed across categories, confirming the same balance by gender among researchers, non-permanent staff and employees. The average age in the three years examined shows that FEEM is a relatively "young" organization: 38 years.

FEEM pursues flexibility in its organization structure. FEEM stimulates its people to achieve personal goals and support them in developing improved capacities.

Communication and dissemination

Communication activities are a strategic tool for the disclosure and dissemination of research themes and results. FEEM is internationally recognized for its publications – among which working papers occupy a prominent position – and, at national level, for the organization of events on issues of sustainable development in support of policy making, the private sector and informed public.

FEEM has published about 2,800 **Working Papers** (WP) since 1993.

Books represent another important channel for research dissemination activities. Currently FEEM publishes two editorial series on issues of sustainable development and global governance: an Italian series with Il Mulino (since 1993) and an English one with Edward Elgar (since 2001). Regarding dissemination activities to a wider audience, FEEM publishes the four-monthly journal on sustainable development, *Equilibri*, in collaboration with the university press Il Mulino.

The organization of **events** has always been a strategic activity for positioning the Foundation in the national and international debate, for disseminating the research outputs related to sustainable development and for developing the network and involving FEEM's target audiences: policy makers, academia and scientific community, enterprises, institutions and the wider public. In 2017 FEEM organized 109 events: 47 conferences, workshops and lectures and 62 seminars, webinars and other events.

Finally, FEEM has always been engaged in the organization of educational events for young people, particularly in training and developing the ideas coming from national and international talents. Training and support for scientific careers is achieved through the active participation (with both "incoming" and "outbound" researchers) to Marie Curie individual fellowship programs, but also through internships and through the organization of Summer Schools of high scientific value, such as the traditional European Summer School on Environmental Regulation, held every year in Venice.

Moreover, FEEM believes that the youth can play an indispensable role in *building* a sustainable future. For

that reason in 2017 it collaborated with Fondazione Accenture and Fondazione Feltrinelli on the “Youth in Action for SDGs” contest calling for sustainable solutions for Italy. Hundreds of millennials answered the call and several six-month private sector internships were awarded to help them realize their ideas.

Policy advocacy and partnerships

FEEM regularly maintains and develops interactions with the academic and research world – essential link to ensure research quality and scientific rigor – and renews the dialogue with the private sector, including Eni, public institutions and civil society, thanks to an intense networking activity (**SDG 17**).

FEEM supports public institutions through policy advocacy activities aimed at raising awareness on key issues of sustainable development and based on the results and on the scientific rigor of the research produced. With the business world, FEEM collaborates for creating sustainable value, supporting the private sector in the identification of the actions and tools needed to strengthen, monitor and report its contribution to sustainable development. Finally, the Foundation actively involves civil society in the debate on the main international issues by organizing public events, involving some of the leading world experts, and training initiatives on FEEM research themes, and in particular on climate change, energy and social innovation.

Support to policy making at national and local level

At the national level, FEEM has contributed to policy making through a constant relationship with the Ministries.

Moreover, FEEM actively participated in preliminary discussions and debates around the regionalization of the SDGs, creating and supporting institutional networks to spark a dialogue on the Agenda 2030 at the local level and participating in meetings with national and international working groups on the topic

Finally, at local level, FEEM has supported the policy making process through a strict collaboration with local institutions for the sustainable development of the local territory (**SDGs 8 and 12, Principles 3, 4, 5, 6**).

In particular, FEEM has a regional office in the Basilicata region since 2007 as part of an agreement signed by Eni for the exploitation of the oil and gas fields in the area. FEEM's mission is to contribute to the economic and social development of the region, and to support Eni in its plan to develop the local resources and skills through networking, research activities and advanced training. Human capital and innovation are key drivers of economic growth, and leveraging on the existing networks and skills is central to the process of local endogenous growth.

Networking

In order to promote knowledge and awareness and SDGs implications across the different components of Italian society, FEEM is constantly involved in research and dissemination activities that promote the understanding of the implications and opportunities arising from the 2030 Agenda for the different actors in order to stimulate the construction of a strategic framework for the implementation and monitoring of sustainable development (**SDGs 17**).

Since 2015 FEEM hosts SDSN Italia: the network has the goal of promoting SDGs in Italy by developing activities and projects consistent with international programs led by SDSN, particularly in the fields of

education, test and collection of innovative practices on the various topics covered by 2030 Agenda, dissemination of solutions and tools developed in the academic, business and public organizations worlds. SDSN Italia also aims to promote dialogue between national, regional and global initiatives for the SDGs, through the dissemination of international excellence in Italy, but also through the international promotion of the experiences conducted by companies and organizations in our country. The Italian hub of the network also aims to foster dialogue among the subjects that wish to carry out concrete projects with a high impact on common objectives, favoring a positive relationship between academia and the private sector in the context of a coherent strategy for Italy.

With the aim of concretizing the 2030 Agenda within the national context, in the last months of 2017 FEEM, in collaboration with **SDSN Italia started developing *ad hoc* tools for the public administration, to link their activities to the Agenda 2030.**

FEEM can ensure the creation of useful synergies between the two networks, in particular to support the contribution of Italian companies to SDGs, also as a founding member and as the Italian office of the **Global Compact Network Italia Foundation (GCNI)** since 2013, and as an active member of the **Alleanza per lo Sviluppo Sostenibile (ASviS)**, a national network that brings together civil society networks and aims to raise awareness of the importance of the 2030 Agenda in Italian economic entities, institutions and society.

Following the development of multi-stakeholder partnerships for sustainable development as a key means of implementation recognized by the United Nations to effectively achieve the Goals, FEEM has strongly promoted an alliance between ASviS, Global Compact Network Italia and SDSN Italia with the aim to raise awareness of all institutional, economic and social actors on the national territory for promoting actions that contribute to an effective achievement of Sustainable Development Goals.

Thanks to this network of partnerships, as well as to research and dissemination activities, FEEM contributes to the concrete implementation of the 10 Principles of the Global Compact and, in particular, to the realization of the implementation strategy of the Sustainable Development Goals.