

## HODNOTENIE UDRŽATEĽNOSTI DLHODOBEJ REALIZÁCIE V ÚČTOVNÝCH VÝKAZOCH PODNIKOV (III. ČASŤ)

### Sustainability performance assessment in business reporting (Part III)

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Voluntary reporting frameworks like the GRI guidelines and also the AA 1000 Assurance Standard assist organisations in presenting a balanced and reasonable picture of their economic, environmental and social performance. Over the last few years, when sustainability reporting has become one of the method for measuring, disclosing, and strengthening the contributions of business to sustainable development as well as the approach of eco-efficiency came into consideration.

#### **Eco-efficiency indicators**

The concept of eco-efficiency has emerged as one of the crucial themes linking the economy and environment and presenting opportunities for joint improvement in economic and environmental performance. This term was coined by the World Business Council for Sustainable Development (WBCSD) in 1992. It is based on the concept of creating more goods and services while using fewer resources and creating less waste and pollution i.e. with reducing the ecological impacts of production. The aim is to help companies put sustainability in the heart of their innovation and technological development processes.

According to the WBCSD, critical aspects of eco-efficiency or elements for eco-efficiency improvement are:

- A reduction in the material intensity of goods or services;
- A reduction in the energy intensity of goods or services;
- Reduced dispersion of toxic materials;
- Improved recyclability;
- Maximum use of renewable resources;
- Greater durability of products;
- Increased service intensity of goods and services.

WBCSD proposes a flexible framework for identifying and measuring eco-efficiency indicators and reporting eco-efficiency performance containing three levels of organization for eco-efficiency information: categories, aspects and indicators. This is consistent with the terminology used in the ISO 14000 and Global Reporting Initiative.

*Categories* are broad areas of environmental influence or business value. Definition includes three categories as product or service value, environmental influence in product or service creation and environmental influence in product or service use.

*Aspects* are general types of information related to a specific category. They describe what is to be measured e.g. volume, mass, monetary, energy or material consumption, non-product output, packaging waste.

*Indicators* are the specific measures of an individual aspect that can be used to track and demonstrate performance.

Framework consists of a limited set of generally applicable indicators which WBCSD believes are valid for virtually all businesses; guidelines for the selection of business specific indicators relevant at company or sector level; guidance for implementation; recommendations for how to communicate eco-efficiency information to internal and external users. Two levels of indicators (generally applicable and business specific) are not created according to their importance. The application of generally applicable or business specific indicators by the entity will depend upon the nature of individual businesses, their materiality to entity itself and users of the eco-efficiency information. The concept of eco-efficiency could seem that improves economic and environmental efficiency and does not pertain to social issue which is one of elements of measuring the performance of an entity. The WBCSD based the eco-efficiency indicators on fulfillment eight principles that are applicable to all elements of measuring the performance. In accordance with the WBCSD's recommendations indicators should be relevant and meaningful with respect to protecting the environment and human health and/or improving the quality of life; inform decision making to improve the performance of the organization; recognize the inherent diversity of business, support benchmarking and monitoring over time, be clearly defined, measureable, transparent and verifiable; be understandable and meaningful to identified stakeholders; be based on an overall evaluation of a company's operations, products and services, especially focusing on all those areas that are of direct management control; recognize relevant and meaningful issues related to upstream and downstream aspects of a company's activities.

In case of the externally reviewed report WBCSD recommends to release organization profile, value profile, environmental profile, eco-efficiency ratios and methodological information in order to enable transparency and facilitate understanding. It is not recommendation for a separate eco-efficiency report. The eco-efficiency information is more meaningful for external audience by its integration into financial reports or sustainability or environmental reports.

An eco-efficiency indicator is the ratio between a financial and an environmental variable. It measures the financial performance of an enterprise with respect to its environmental performance. The problem with constructing eco-efficiency indicators is that there are no agreed rules or standards for recognition, measurement and disclosure of environmental information either within the same industry or across industries. Most importantly, there are no rules for consolidating environmental information for an enterprise or a group of enterprises so that it can be used together and in line with the enterprise's financial items. According to indicated:

$$\text{Eco-efficiency} = \text{product or service value} / \text{environmental influence}$$

The „numerator“ data for estimating eco-efficiency are quality of goods or services produced or provided to customers or net sales. As the „denominator“ data could be used energy, materials, water consumption, Greenhouse gas emissions or ozone depleting substance emissions. Measurement of eco-efficiency is a rate as currency (USD, Euro, Yen, etc.) to tons or gigajoules of environmental influence. The denominator depends on the product or service the entity produces.

Additional financial value indicators, acidification emissions to air and total waste could become generally applicable if current efforts to develop global agreement on measurement methods are successful.

The entity uses as potential data sources financial reports (financial statements/annual reports) or purchasing reports for value indicators. The potential data sources in case of environmental influence indicators are water discharge reports, EHS reports, estimation and calculation, waste disposal reports, plant surveys, cost and purchasing reports.

Measuring eco-efficiency as a guide to reporting company performance highlights some of the ways in which eco-efficiency has been interpreted by companies in different sectors in their public environmental reporting. The main objective is based on the harmonization of the presentation and disclosure of a company's environmental performance and explains how this relates to financial results.

## Abstrakt

Dobrovoľným a flexibilným koncepčným rámcom je aj rámec vydaný Svetovou obchodnou radou pre trvalo udržateľný rozvoj v oblasti eko-účinnosti. Eko-účinnosťou sa monitoruje ekonomický a environmentálny vývoj účtovnej jednotky. Koncept eko-účinnosti využíva všeobecne aplikovateľné a špecifické indikátory, ktorými sa sleduje vzťah medzi hodnotou produktov alebo služieb a zdrojov, odpadu a znečistenia, ktoré môžu byť výsledkom produkcie.

**Kľúčové slová:** hodnotenie udržateľnosti výkonu, eko-účinnosti, všeobecne aplikovateľné indikátory, špecifické indikátory, WBCSD

## Summary

The World Business Council for Sustainable Development published a guide to reporting company performance in field of eco-efficiency. It is a voluntary and flexible framework for reporting economic and environmental performance. It is based on using generally applicable and business specific indicators concept of creating more goods and services while using fewer resources and creating less waste and pollution i.e. with reducing the ecological impacts of production.

**Key words:** sustainability performance assessment, eco-efficiency, generally applicable indicators, business specific indicators, WBCSD

**JEL klasifikácia:** M41

## Použitá literatúra

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