

# OPEN LETTER TO GOVERNMENTS OF THE G20 NATIONS



*“Businesses urge G20 leaders to lead change to a global impact economy”*

**Thursday November 15th, 2018**

Today, more than ten years since the global financial meltdown, a group of business leaders, purpose-driven entrepreneurs and impact investors are coming together to call on the G20 countries to help build an economic system that serves people and planet.

Our current economic system has generated unprecedented progress that has resulted in increased global wealth, improved health, and reducing gender inequality. However, decades of prioritising GDP growth over social equity has resulted in historically high levels of inequality, with the top 1% of the population owning two-thirds of global wealth; destruction of natural capital, with the latest IPCC report concluding we are close to reaching our 1.5°C carbon budget, and the decline of social capital through rampant corruption, with 2 out of 3 countries in the world ranking below 50 on the Corruption Perception Index (CPI), putting at stake the very essence of our democracy and freedom.

If our economic systems continue to function as they are, these key indicators of wellbeing will continue along the current trajectory, severely impacting our current fragile economy.

This coalition serves over 2,500 B Corps from over 60 countries, international business leaders and investors around the world. We are committed to shifting global capital flows toward activities that generate net-positive social, environmental and financial results.

Given that you, our world leaders, are meeting this month to discuss our global economy, we are calling on G20 Heads of State to acknowledge and address the following reality:

## COURAGEOUS GLOBAL LEADERSHIP IS NEEDED

We are facing a vacuum of global leadership for the common good. There is a significant need to redesign our economic system and its indicators around values that serve people and planet alongside profit, rather than short-term profit maximization and speculation. Systemic, rather than incremental change, is required.

---

## TRUST MUST BE REBUILT

Our current economic system, with unbridled market forces and a lack of regulation for market failures, has led to failing ecosystems and catastrophic climate change, massive inequalities, and a loss of faith in business, governance and our political systems. This social capital can and must be rebuilt.

---

## OUR FUTURE IS AT STAKE

Without collective action, the continued coupling of GDP growth and the destruction of natural and social capital will result in further economic collapse. A recognition of the interdependencies between governments, businesses and civil society is necessary to build a peaceful, sustainable and inclusive future, in line with the UN Sustainable Development Goals and the Paris Climate Agreement.

Our organizations therefore call on the G20 to:

**1. Form a commission for the development of a Positive Impact Economy** - Engage representation from key sectors of society (including business leaders, policymakers & civil society etc.) to consult people around the world. The commission will:

- Propose concrete policies to bring about a regenerative economy that supports the wellbeing of people and the planet. Policies to be considered as part of this approach may include universal access to health & education and mandated reporting on social and environmental impact for all governments, businesses and investors.
- Build generally accepted Impact Principles and support the development of accounting standards for businesses that include the measurement of impact, enabling investors to apply impact-weighted methods of financial analysis and evaluation while appropriately valuing natural and social capital.

**2. Create New Corporate Forms** - Build on the leadership of Colombia, Italy, and 34 states in the USA to create mechanisms in all G20 countries for establishing 'for-benefit' corporations which must, by definition, demonstrate how they are advancing the interests of people and the planet beyond short-term profit.

**3. Lead for the long run** - Convene large-scale asset owners, asset managers, policymakers, business leaders and civil society to create rules which support a new paradigm of risk, return and impact for every business and investment decision. This will redirect vast flows of money to responsible, sustainable and impact investment, shifting capital towards triple bottom line returns.

**We have run out of time for commitments. We now need action. The world is watching** - Without leadership, both the 2030 Agenda for Sustainable Development (SDGs) and the Paris Climate Agreement are at risk. What will we tell our children?

This coalition wants to work with you, and to thank your efforts. We look forward to reshaping the DNA of business and the economy for the wellbeing of people and the planet.

Sincerely,



**Paul Polman**  
*CEO Unilever*  
*Chair, The B Team*



**Amit Bhatia**  
*CEO, Global Steering Group for Impact Investment - GSG*



**Bart Houlahan**  
*Co-Founder, B Lab*



**Pedro Tarak**  
*Co-Founder and President*  
*Sistema B Internacional*

# ANNEX 1

This letter was coordinated and supported by the following organisations:

Coordinated by:

## THE B TEAM

1. **The B Team** is a catalyst for bold dialogue, inspiring courageous leadership and brave business action toward a fairer, greener and more human economy. The B Team's global collective of business and civil society leaders are working together to build a principled and purpose-driven private sector and demonstrate that, with bold purpose, business becomes a force for good. The B Team was co-founded by Sir Richard Branson and Jochen Zeitz, and includes Leaders Oliver Bäte, Marc Benioff, Sharan Burrow, Kathy Calvin, Bob Collymore, David Crane, Emmanuel Faber, Christiana Figueres, Mats Granryd, Arianna Huffington, Dr. Gro Harlem Brundtland, Dr. Mo Ibrahim, Yolanda Kakabadse, Isabelle Kocher, Guilherme Leal, Andrew Liveris, Indra Nooyi, Dr. Ngozi Okonjo-Iweala, François-Henri Pinault, Paul Polman, Mary Robinson, Ratan Tata, Hamdi Ulukaya, Zhang Yue and Professor Muhammad Yunus.



2. **B Lab** is a nonprofit organization working globally with the goal of redefining the meaning of success in business (the DNA of business): to solve social, environmental and developmental problems through products and services, thus using business as a force for good. Its vision is that one day all companies compete not only to be the best in the world, but the Best for the World® and as a result society will enjoy a more shared and durable prosperity. Companies are certified as B Corps and change their bylaws.



3. **GSG** (The Global Steering Group for Impact Investment) is an independent global steering group catalyzing impact investment and entrepreneurship to benefit people and the planet. The GSG was established in August 2015 as the successor to and incorporating the work of the Social Impact Investment Taskforce established under the UK's presidency of the G8. The GSG currently has 21 member countries plus the EU, as well as active observers from leading network organizations. Chaired by Sir Ronald Cohen, the GSG brings together leaders from the worlds of finance, business, and philanthropy. The aim is that measurable impact is embraced as a deliberate driver in every investment and business decision affecting people and the planet and the mission that supports the institution is to harness the energy behind impact investment to deliver impact at scale and spark a movement around the world.



4. **Sistema B** aims to “redefine the meaning of success in the economy”. An economy that can create value for our civilization and our planet simultaneously by promoting forms of economic organization that are measured by the well-being of people, societies and nature. Since its creation in April 2012, in Latin America there are 10 national Sistema B including 10 local B Communities, over 1100 university professors teaching a triple impact business model, approximately 300.000 participants to festivals on impact economy, one Benefit Corporation legislation passed in Colombia, four bills being discussed in national parliaments and over 460 B Corps leading by the example through business. Together they account for more than 5 billion dollars in annual revenues.

Supported by:



5. **Wellbeing Economy Alliance** (WEAll) is a broad movement that aims to bring about a transformation of the economic system, of society and of institutions so that we all prioritise shared wellbeing on a healthy planet. Established in spring 2018, WEAll's efforts to catalyze system change stretch across three spheres: amplifying new narratives; working with others to push for structural reform; and cultivating positive disruptors. WEAll is a movement, not a representative body. With over 40 affiliated organisations around the world and growing daily, its membership includes an unprecedented breadth of approaches, views and expertise. The WEAll Amplification team is proud to support this initiative spearheaded by some of those members, but in doing so it does not act on behalf of its entire membership.