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SUSTAINABILITY MEASUREMENT AND MANAGEMENT LABORATORY (SuMM LAB)

**BOLOGNA BUSINESS SCHOOL |
CENTRE FOR SUSTAINABILITY
AND CLIMATE CHANGE**

REPORT #6

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REPORT 6: CERTIFICATIONS

Certifications in a nutshell

Classification of sustainability-related certifications and best performing sectors for each category:

	Environmental certifications ISO 14001, ISO 50001, EMAS, Ecolabels	<ol style="list-style-type: none"> 1. Paper and cardboard 2. Glass and glass products 3. Rubber industry
	Social certifications SA 8000, ISO 26000, OHSAS 1800	<ol style="list-style-type: none"> 1. Building and construction 2. Paper and cardboard 3. Real estates
	Food industry certifications ISO 14001, ISO 50001, EMAS, Ecolabels	<ol style="list-style-type: none"> 1. Food industry 2. Agrifood 3. Paper and cardboard
	Green building certifications ISO 14001, ISO 50001, EMAS, Ecolabels	<ol style="list-style-type: none"> 1. Glass and glass products 2. Building and construction 3. Monetary exchange

The most diffused certifications among companies:

32%

ISO 14001

24%

OHSAS 18001

4%

LEED and IFS

INTRODUCTION

Nowadays consumers are becoming increasingly attentive to the quality and safety of products and services, and the protection of the environment and society, and they expect companies to do the same. Consequently, companies are progressively deciding to voluntarily certify their business beyond what is required by legislation, in order to obtain a real competitive advantage. Indeed, getting certified means adopting methodologies and management's modes for a more careful, responsible and integrated businesses. Voluntary certifications can be seen by companies as an opportunity to grow and innovate their business. The main advantages resulting from this strategic decision are:

- Efficiency of internal management processes. Certifications help to streamline organizational procedures, to standardize and automate processes, to rationalize activities and to optimize time and resources. Furthermore, certified organizations are subject to periodic checks and verifications, which make possible to monitor, evaluate, and improve company decisions;
- Greater recognition by stakeholders. A certified company not only acquires a value for itself, but transparently shows its stakeholders its real interest in protecting the environment and society, the quality of its products and services, and safety in the workplace;
- Access to public tenders. The possession of voluntary certifications allows companies to compete and achieve a higher score in tenders and public procurement.

At a general level, certifications can be divided into two main groups: system certifications and product certifications. System certifications define the criteria by which an organization can manage its production cycle in order to meet stakeholders needs, with a view to continuous improvement. Product certifications, on the other hand, are associated with a tangible product or service and ensure that certain technical requirements, established by national or international standards, are met.

The Sustainability Measurement and Management Laboratory (SuMM Lab) has identified a set of practices of sustainability-related certifications. The current Italian context is analysed in the light of data collected.

KEY FINDINGS

Among the 69 KPIs composing the observatory, the following ten meaningful metrics represent the adoption of practices of sustainability-related certifications in the Italian industrial context:

System certifications

1. ISO 14001 certification for environmental management systems;
2. Eco-Management and Audit Scheme (EMAS) for evaluation, reporting, and improvement of environmental performance;
3. ISO 50001 certification for the design, implementation, and maintenance of an energy management systems;
4. Leadership in Energy and Environmental Design (LEED) for the development of healthy, highly efficient, and cost-saving green buildings;
5. SA 8000 certification for ethics management and social responsibility;
6. ISO 26000 certification for social responsibility;
7. ISO 22000 certification for food safety management systems;
8. OHSAS 18001 certification for occupational health and safety management systems.

Product certifications

1. Ecolabels (FSC, Energy star, MSC, EU ecolabel, etc.) for environmental responsibility of products;
2. International Food Standard (IFS) certification for food safety and quality;
3. ISO 22005 certification for traceability in the feed and food chain.

As a matter of fact, considering the overall population of companies sampled, the presence of ISO 14001 results the most diffused practice, both considering certification and in general, among practices mapped by the SuMM Lab, established in about 32% of the sample. OHSAS is implemented by 24% of the companies. LEED and IFS, two quite specific certifications, related to green building and food industry, respectively, are implemented by not more than 4% of the companies included in the sample.

In terms of geographical distribution, we observe that the adoption of such practices presents a quite varied distribution across Italian regions. Considering ISO 14001, the certification for environmental management system, they are almost evenly distributed

across Italy, with a frequency between 25% (Calabria) and 38% (Campania), with the exception of Trentino Alto Adige, Molise and Sardinia, which display results between 16 and 20% (Figure 1). Evaluating these results in a broader perspective, it is worth noticing that Italy, with its 16,858 ISO 14001 certifications (based on ISO 2020 data on certifications accredited by the International Accreditation Forum, IAF¹), results at the third place of the worldwide ranking, just behind Japan (17,804 certificates) and far behind China (168,129 certificates), due to the different size of the countries. Considering, then, OHSAS 18001, the certification for health and safety management systems in working environment, the level of implementation results lower, with almost all regions between 10% (Calabria and Puglia) and 26% (Lazio), with the exceptions of Molise and Sardinia, with 8% and 1%, respectively (Figure 2). Molise is also among the worst performing regions, considering the average implementation of the whole set of practices, together with Puglia and Basilicata. Sardinia, on the other hand, displays a high performance on IFS certification, thanks to the food industry developed in the region.

ISO 14001

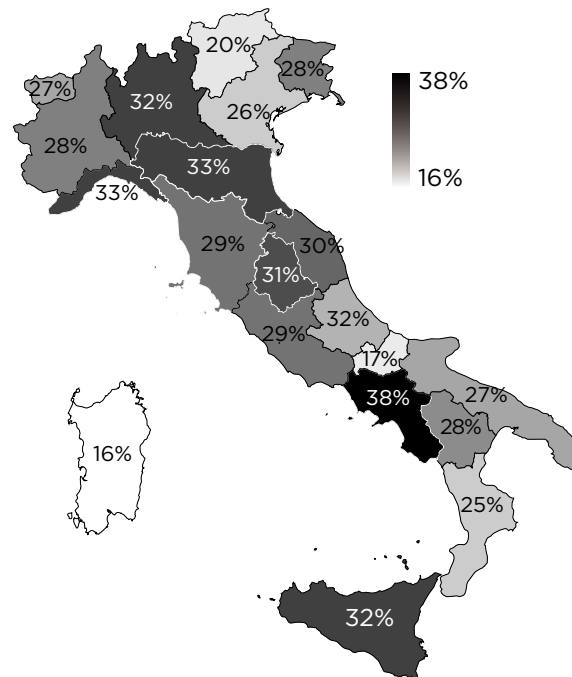


Figure 1. Geographical distribution of ISO 14001 certification among Italian regions.

¹ <https://www.iso.org/the-iso-survey.html>

OHSAS 18001

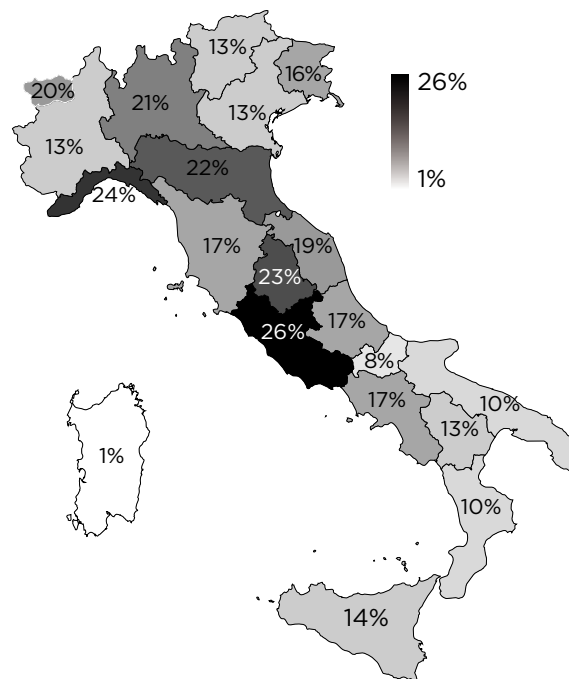


Figure 2. Geographical distribution of OHSAS 18001 certification among Italian regions.

Finally, we considered the industry sectors, which have been proved to behave differently in terms of tendency to disclosure of environmental and social information². Specifically, SuMM Lab results show that the most committed industrial sectors to implement certifications are the following (see Figure 3 for more detailed insights):

- Paper and cardboard;
- Building and construction;
- Glass and glass products;
- Maintenance of metal products;
- Rubber;
- Agrifood;
- Food Industry;
- Engines and generators production;
- Furniture;
- TLC equipment.

² Mura, M., Longo, M., Domingues, A. R., Zanni, S. (2019). "An exploration of content and drivers of online sustainability disclosure: A study of Italian organisations", Sustainability, Vol. 11, No.12.

Considering the TOP players for this set of practices, we see that the paper and cardboard industry displays the best performance (21%). Materials production (paper, glass, metal and rubber) and maintenance industry, in general, results the most committed family, followed by building sector (construction and furniture), food (both agrifood and food industry) and electronic equipment (engines and TLC).

TOP 10 SECTORS

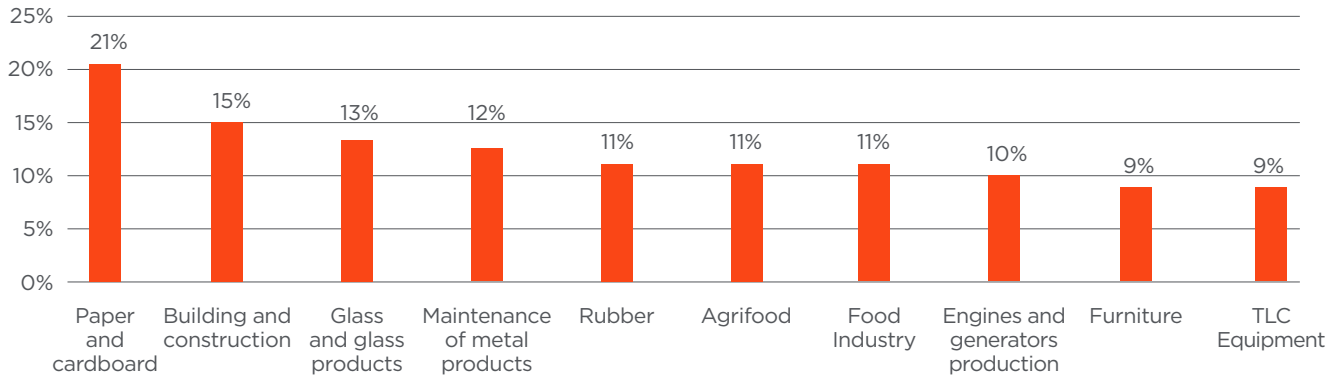


Figure 3. TOP10 sectors for certifications. Industrial sectors are reported based on ATECO classification.

ENVIRONMENTAL CERTIFICATIONS

Considering the environmental certifications, both at the system and product level, i.e. ISO 14001, ISO 50001, EMAS and Ecolabels (Figure 4), the best performing sectors are:

- Paper and cardboard, with 69% of companies implementing ISO 14001 and 66% with Ecolabels on their products;
- Glass and glass products, with 44% of companies implementing ISO 14001 and 32% with Ecolabels on their products;
- Rubber industry, with 57% of companies implementing ISO 14001 and 17% with Ecolabels on their products;
- Maintenance of metal products, with 43% of companies implementing ISO 14001 and 10% with Ecolabels on their products;
- Production of engines and generators, with 48% of companies implementing ISO 14001 and 30% with Ecolabels on their products;

ISO 50001 is the less implemented practice, with only Paper and cardboard sector and Maintenance of metal products above 10% of companies implementing it.

ENVIRONMENTAL CERTIFICATIONS

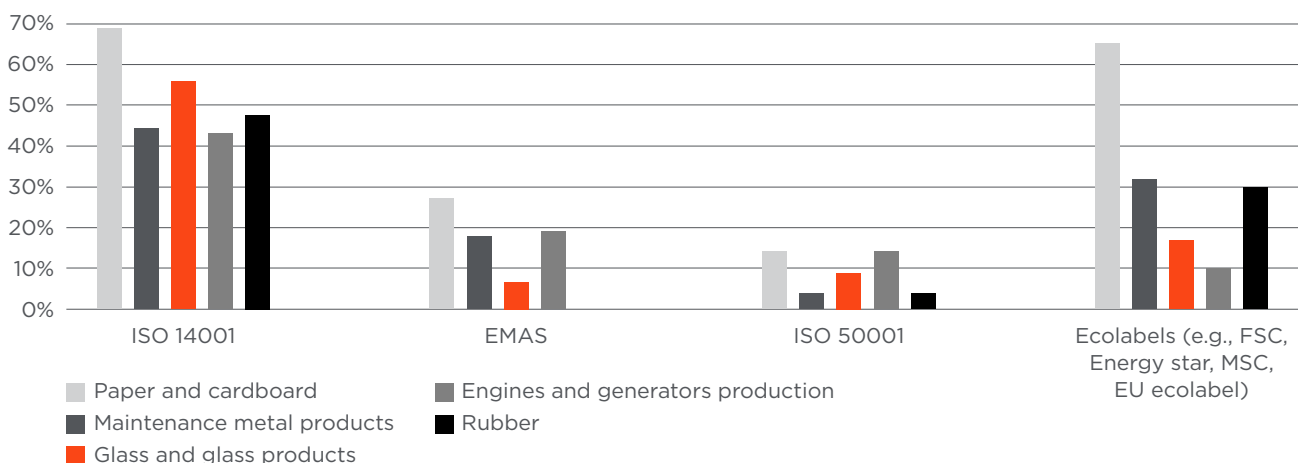


Figure 4. Best performing sectors in Environmental certifications, detailed by practice. Industrial sectors are reported based on ATECO classification

SOCIAL CERTIFICATIONS

Considering the social certifications, i.e. SA 8000, ISO 26000 and OHSAS 18001 (Figure 5), the best performing sectors are:

- Paper and cardboard, with 69% of companies implementing ISO 14001 and 66% with Ecolabels on their products;
- Glass and glass products, with 44% of companies implementing ISO 14001 and 32% with Ecolabels on their products;
- Rubber industry, with 57% of companies implementing ISO 14001 and 17% with Ecolabels on their products;
- Maintenance of metal products, with 43% of companies implementing ISO 14001 and 10% with Ecolabels on their products;
- Production of engines and generators, with 48% of companies implementing ISO 14001 and 30% with Ecolabels on their products;

Overall, ISO 26000 is the less implemented practice.

SOCIAL CERTIFICATIONS

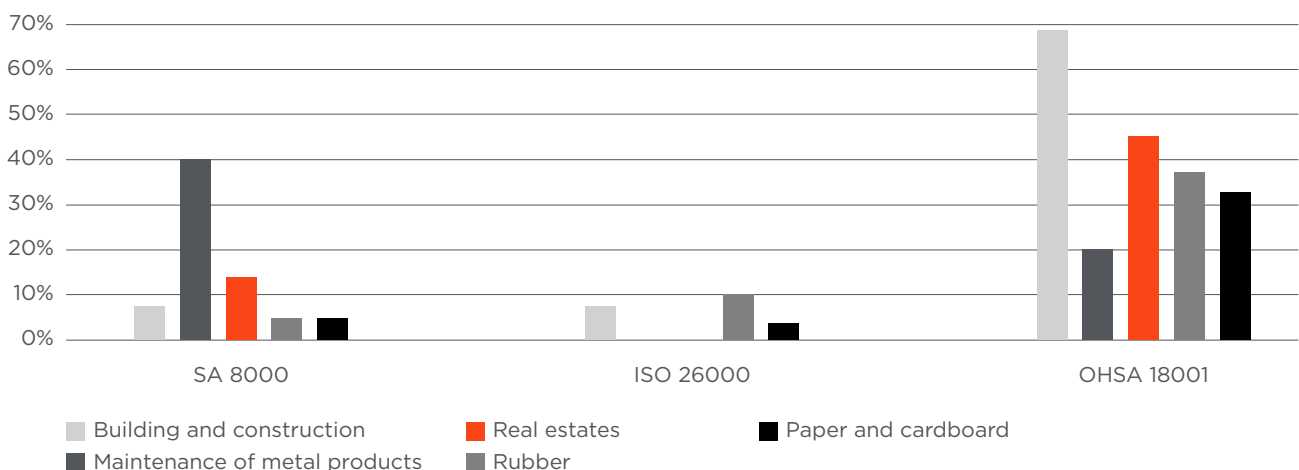


Figure 5. Best performing sectors in Social certifications, detailed by practice. Industrial sectors are reported based on ATECO classification.

FOOD INDUSTRY CERTIFICATIONS

Considering the food industry certifications, i.e. IFS, ISO 22000 and ISO 22005 (Figure 6), the best performing sectors are:

- Food industry, with 45% of companies implementing IFS and 13% with ISO 22000 and ISO 22005;
- Agrifood, with 34% of companies implementing IFS and 13% with ISO 22000 and ISO 22005;
- Paper and cardboard, with 21% of companies implementing IFS;
- Beverage industry, with 13% of companies implementing IFS;
- Food and beverage wholesale, with 5% of companies implementing IFS.

Overall, ISO 22000 and ISO 22005 are less implemented practice than IFS.

FOOD INDUSTRY CERTIFICATIONS

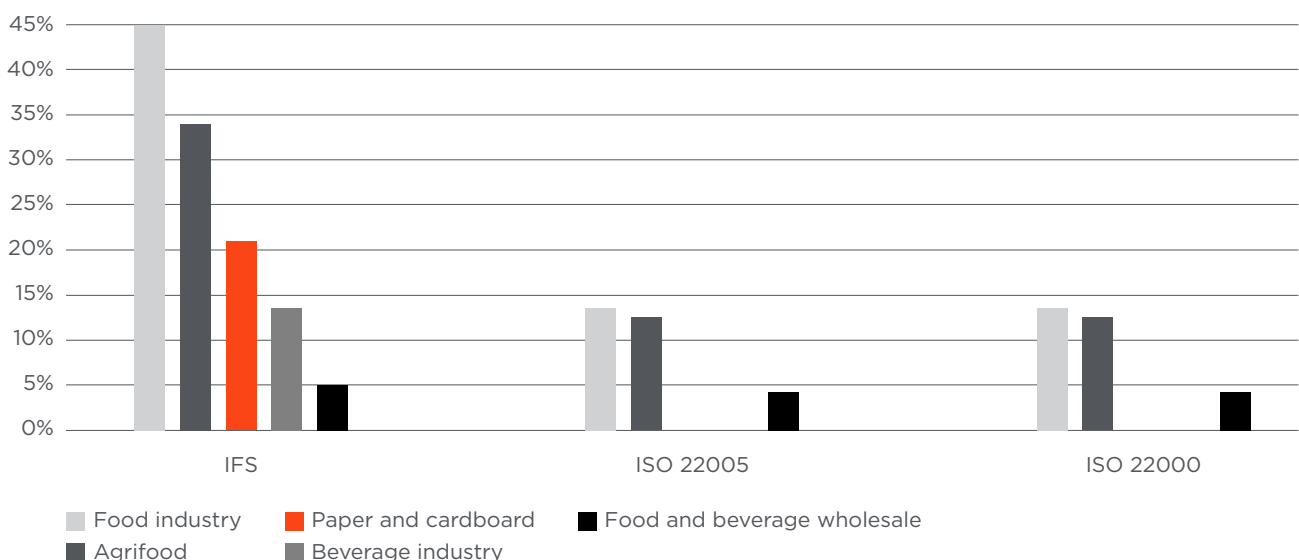


Figure 6. Best performing sectors in Food industry certifications, detailed by practice. Industrial sectors are reported based on ATECO classification.

GREEN BUILDING CERTIFICATIONS

Considering the green building certifications, which are identified by LEED certifications (Figure 7), the best performing sectors are:

- Glass and glass products, with 40% of companies implementing them;
- Building and construction, with 15% of companies implementing them;
- Monetary exchange, with 13% of companies implementing them;
- Furniture, with 10% of companies implementing them;
- Unspecific retail, with 9% of companies implementing them.

LEED CERTIFICATIONS

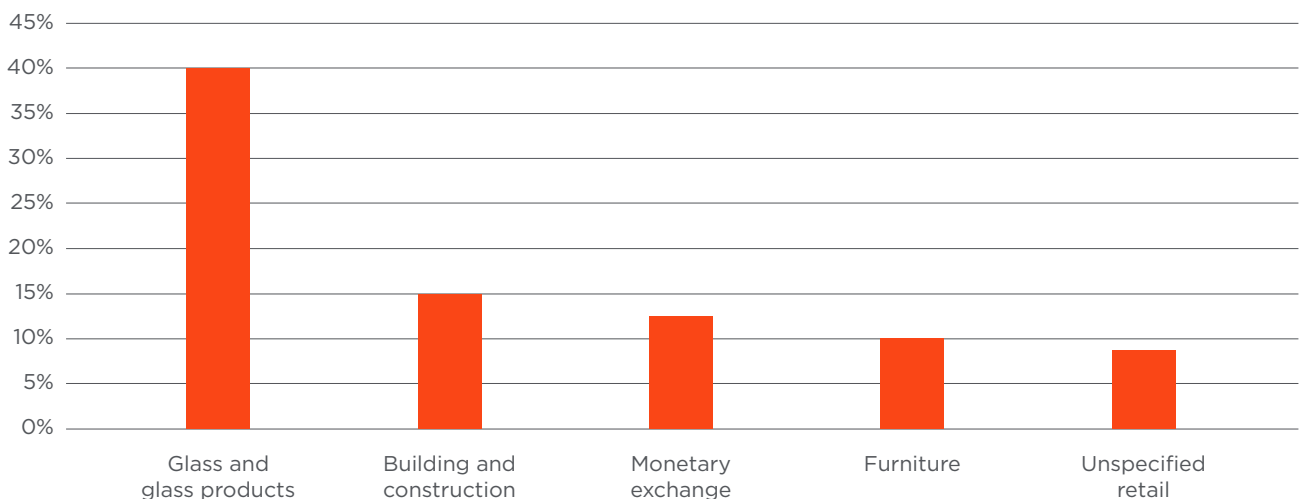


Figure 7. Best performing sectors in Green building certifications (identified by LEED certifications). Industrial sectors are reported based on ATECO classification.

WHAT TO DO NEXT?

Considering that overall results provided by SuMM Lab, sustainability-related practices implemented by Italian companies are still a few, as less than 15% of companies mapped appears to develop sustainability processes at all³, and sustainability-related certifications are even less diffused (about 8%).

Therefore, we report some suggestions to extend the implementation of such certifications to a wider set of organizations:

At company level:

- **Developing competences** among personnel on the management of certifications in order to simplify and make the company systematically more efficient (and to avoid creating more bureaucracy);
- **Creating new professions** within the organization, like product certification specialists, for the creation and maintenance of an organizational system complying with the requirements of certifications. Such figures can, for instance, analyse processes, keep records of results, carry out internal audits, and choose accredited certification bodies;
- **Communicating certifications** through the whole organizational value chain, from the supply chain to the final consumer. This is particularly relevant in the B2B, where many companies search for certified suppliers only, but also in communication with consumers, who are increasingly attentive to the adoption of sustainability-related certifications by companies.

At industrial ecosystem level:

- **Communicating certifications as business opportunities**, showing how they lead companies to improve business productivity and performance;
- **Sharing success stories**, to support the spreading of sustainability-related certifications.

³ Mura, M., Longo, M., Domingues, A. R., Zanni, S. (2019). "An exploration of content and drivers of online sustainability disclosure: A study of Italian organisations", Sustainability, Vol. 11, No.12.

At policy level:

- Reward companies which implement sustainability-related certifications, not only in public tenders, but also through adequate tax relief systems;
- Supporting a prioritization of certifications to target the efforts of companies, enhancing sustainability-related ones.



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