

Economy for the Common Good launches ethical sustainability label to make performances comparable and link corporate reporting with effective policies

“The EConGOOD label is a major step forward for a unified values-based sustainability standard”

Hamburg, 15 February, 2024 | The Economy for the Common Good (ECG) is launching a new comprehensive sustainability label that measures and assesses the social, ecological and ethical impact of businesses. This new seal goes beyond mere reporting and could allow policy makers to incentivize good performance. “The EConGOOD label shows that we can make environmental, social and ethical factors assessable and comparable on the basis of an external audit” explains Christian Felber, co-founder of ECG, which is currently active in 35 countries. Felber continues: “Existing sustainability frameworks focus on reporting only, but don’t evaluate the ethical performance of market actors. The new label will serve customers and investors in making informed purchasing choices and will also help policy makers set new incentives which give sustainable and ethical products an advantage in the marketplace.”

Customers, employees, and investors will now see, next to ecological performance indicators, how a company treats its staff and customers, what the impacts are throughout the whole business model, where the funding comes from, where it is invested and not just how the profit is used. The EConGOOD label’s QR code links directly to the results of a company’s Common Good Balance Sheet (CGBS) summarized online. For example, now, a decision can be made on the spot in the supermarket to buy a product from a more sustainable company that treats its customers and staff with respect and doesn’t damage the environment. Policy makers can use the quantitative score of the CGBS – and other equivalent sustainability reporting frameworks which also allow for such a comparable score – to reward good performance with tax breaks, positive incentives from public procurement and subsidies.

With the introduction of the EConGOOD label, the movement of Economy for the Common Good takes another substantial development step: the movement organized in national associations will gradually be renamed “EConGOOD”. First, for example, the “International Federation for the Economy for the Common Good” will adopt the brand “EConGOOD” in March. Bridget Knapper, member of the association’s management: “We are taking into account the successful internationalization of the movement and creating a strong, internationally consistent brand. The name for the idea or in other words the model *Economy for the Common Good* remains the same, but the organization is given a new, more accessible brand for use around the world, from Austria to Argentina.”

The Common Good Balance Sheet was created in 2010 following the financial crash of 2008 when company leaders realised a different approach to business was required. Not simply reliant on using investment for extraction and unsustainable production and consumption but rather seeing business as a force for good, meeting people's true needs within nature's limits and making a positive contribution to society. The ECOngOOD label now makes this commitment visible and comparable.

The Common Good Balance sheet in conjunction with the ECOngOOD label is a major step towards a unified sustainability standard. Hundreds of successful companies voluntarily choosing to publish a Common Good Balance Sheet proves that there is a need for such a standard among the broader business community, especially in family businesses, in regionally anchored and in ethically motivated companies. To date, over 1,100 companies and organisations have been audited according to ECG's criteria. In addition to companies across a range of sectors, such as Sparda Bank München, WeTell, Sonnentor and Voelkel, these also include municipalities, cities and universities. In December, FC St. Pauli (Hamburg) became the first professional football club in the world to publish a Common Good Balance Sheet.

About the Economy for the Common Good

The Economy for the Common Good advocates a more ethical economic model, in which the wellbeing of people and the environment become the ultimate goal of business. The worldwide movement exists since 2010 and is based on the ideas of the Austrian writer Christian Felber. Currently the movement consists of over 4,000 activists in more than 170 local chapters and 40 associations. Over 1,200 businesses, towns and organisations have completed the Common Good Balance Sheet. Worldwide nearly 60 municipalities and 200 universities are actively involved in spreading the idea of the Economy for the Common Good. On 29 Sep. 2018 the International Federation was founded and now consists of 11 national associations. (12/2023)

Further Information: www.ecogood.org

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