International Labour Organization

ILO brief

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March 2026

Leading by example
Building environmental, social, and governance services in Employer and Business Membership Organizations

If your **Employer and Business Membership Organization** (EBMO) is setting up Environmental, Social, and Governance (ESG) services for members, or is interested in doing so, then this brief is for you. Whether you work for a national trade association, a local business chamber or a national employers' federation, this brief has information that will help your EBMO to set up services that meet members' needs while providing your EBMO with a new income stream.

The ILO Bureau for Employers' Activities (ACT/EMP) runs the ILO LEADER Programme. The programme builds the capacity of EBMOs to support their enterprise members on ESG approaches.

This brief is based on the insights and experience of 16 EBMOs, twelve of which participated in the ILO LEADER Programme And four others with established ESG member services.

Top tips

- **Big or small, ESG is for all businesses and their EBMOs.**
- **You may not know it, but your EBMO is already doing ESG.**
- **Starting small is fine. Just start!**
- **Understand your members' needs and the ESG market.**
- **Many EBMO follow similar trajectories, offering opportunities for peer learning**
- **Leading by example makes a difference.**
- **Build the right partnerships.**
- **Track your members' ESG performance (and your EBMO's!)**

Big or small, ESG is for all businesses and their EBMOs

Environmental, Social and Governance (ESG) is on the rise. Increasing numbers of businesses of all sizes and sectors embrace ESG, while stakeholders from investors to governments to staff and consumers are pushing for greater ESG adoption. These stakeholders are interested not only in enterprises' social and environmental impacts but also in how ESG issues, such as climate change, biodiversity loss, energy management and labour relations, affect financial performance and prospects.

As a result, ESG is shifting from a niche concern to a core business practice. In a 2025 survey of 2,000 CEOs across 128 countries, 88 per cent said that the business case for sustainability is stronger today than five years ago, and nearly all (99 per cent) plan to maintain or expand their enterprises' ESG commitments.[1]

There is also a growing body of evidence on the **business benefits of ESG**, which can help companies to[2]:

- Improve risk management.
- Win customers.
- Improve company reputation.
- Avoid compliance costs.
- Access finance and funding.
- Attract and keep top talent.
- Drive innovation.
- Build strong community and government relations.

While ESG is sometimes seen as costly or complex, it actually turns sustainability into a strategic opportunity rather than a compliance exercise.

The ESG push means that enterprises are increasingly asking their EBMOs for support on ESG adoption. A 2025 ILO LEADER Programme survey of 90 EBMOs in 65 countries showed that more than half (58 per cent) of EBMOs worldwide already offer member services or activities related to ESG, with four out of five EBMOs surveyed predicting that demand will increase. [3]

> As EBMOs we have the ability and power to shape a sustainable future. Support your members before the market catches up!
>
> **Albert Rukeisa** / Head of People and Organisational Development / Association of Tanzania Employers (ATE)

The ILO LEADER Programme's survey found that at least two-thirds of EBMOs provide training (79 per cent), events (65 per cent), and information-sharing activities (63 per cent) to support ESG efforts among businesses. Other EBMO initiatives on ESG include advocacy and policy support (50 per cent), the development or distribution of communication materials (33 per cent), and a help desk or focal point to access information on responsible business practices (33 per cent).

According to the survey, since launching ESG services for their members, EBMOs worldwide report **significant benefits**:

- Greater member engagement (56 per cent).
- Increased participation in policy discussions (46 per cent).
- Increased profile and influence (46 per cent).
- The setting up of new partnerships (42 per cent).
- Membership growth (23 per cent).
- An increase in grants or funding (23 per cent).

This evidence is corroborated by the experience of those EBMOs that participated in the ILO LEADER Programme. These organizations are running popular, self-financing ESG training courses for their members and generally aim to expand their ESG services due to member demand. Some EBMOs base the timings of these training courses on either the financial year or the ESG reporting calendar to give enterprises support when they need it most, making the training workshops especially timely.

[1] UN Global Compact and Accenture, *Turning the Key: Unlocking the Next Era of Sustainability Leadership*, 2025.
[2] ILO, LEADER Programme, *Sustainable Business, Resilient Future: How ESG Leads to Business Success*, 2024.
[3] ILO, *Leading the Sustainability Agenda: Global and Regional Insights for Employer and Business Membership Organizations*, 2025.

The 2025 ILO LEADER Programme survey also shows that a comparatively low percentage of EBMOs offer hands-on assistance to enterprises through consulting services (29 per cent), ESG tools (15 per cent), and ESG reporting support (10 per cent). These areas represent potential opportunities for EBMOs to grow their ESG services with additional revenue streams.

SMEs benefit from ESG

ESG approaches can be simplified for **small and medium enterprises** (SMEs) yet remain effective. For example, it is not always necessary for an enterprise to produce long ESG reports. For SMEs, other ways of communicating can be just as effective, for example through their website.

EBMOs report that framing messages around ESG opportunities rather than regulatory obligations can help businesses to see its potential. To bring SMEs on board , messages focused on cost reduction or increased efficiency can be helpful.

For example, the Australian EBMO Business Chamber Queensland helps businesses to reduce costs by an average of 22 per cent through its ecoBiz sustainability programme. ecoBiz helps SMEs to audit their resource use, manage carbon emissions and save on costs, all while reducing waste, water and energy consumption. Business Chamber Queensland actively advertises the cost reduction potential to attract new SMEs to its ESG programmes.

> ESG is not only for large companies. Small ones can also be very attractive to investors and clients if they work on these aspects in the right way.
>
> ▶ **Adelaida Fiallios** / Head of membership, retention and communication / Honduran Council of Private Enterprise (COHEP)

You may not know it, but your EBMO is already doing ESG

ESG is a broad framework that brings together a number of areas of expertise that many EBMOs already cover, such as:

- Employee relations
- Diversity, Equity and Inclusion (DEI)
- Human rights issues such as child labour and forced labour
- Energy use
- Waste management
- Risk management
- Community engagement

ESG also builds on policy areas and approaches already familiar to most EBMOs, including Corporate Social Responsibility (CSR), Responsible Business Conduct (RBC) and the Sustainable Development Goals (SDGs). This means that, rather than starting from scratch, many EBMOs can build on what they have in place already.

For example, the Moroccan EBMO Confédération Générale des Entreprises du Maroc (CGEM) broadened its existing CSR training course for enterprise members to encompass ESG, also raising the bar of its corresponding CSR enterprise accreditation. As of November 2025, 120 Moroccan enterprises had been accredited with CGEM's CSR label, which now also meets international ESG standards.

Starting small is fine. Just start!

The EBMOs that participated in the ILO LEADER programme have successfully set up financially viable ESG membership services, and all of them started small. More important than having everything in place is to start sooner rather than later. Providing ESG services is a crowded market space with many competitors and EBMOs risk losing out if they do not move fast.

Advice from EBMOs on how to get started on ESG is summarized below.

- ▶ Develop **clear objectives** to help focus resources.
- ▶ Understand **members' needs** and the ESG landscape at the national level, possibly also at the sectoral level.
- ▶ Build a simple and modest **ESG programme** that fits members' needs and matches the EBMO's resources. This could be based on ESG research and basic ESG training for members.

- Go for **quick wins** in the first instance, for example by working with companies that are keen and not exposed to high ESG risks.
- Introduce some basic free ESG services **to raise awareness and attract members** or organize an ESG event such as a CEO breakfast or a webinar.
- To speed up the process and fill skills and knowledge gaps, consider **partnering** with an organization that already has expertise in ESG, such as a university, ESG consultancy firm, or a stock exchange.

Understand your members' needs and the ESG market

Many EBMOs start their ESG journey with research to understand their national ESG context, the market for ESG services, and their members' needs. Several ILO LEADER Programme EBMOs carried out:

- **Focus groups** with members to understand their ESG needs and their ability and willingness to pay for ESG services.
- **Desk research** on the level of ESG maturity of the national private sector, as well as ESG risks faced, sometimes back up by interviews with key informants such as relevant CEOs. This type of research often also identified sectors facing particular ESG risks.
- **Market research** on existing ESG service providers, including potential competitors, to determine the quality, price and relevance of services provided in relation to EBMO members' needs.

EBMOs then used this information to develop a distinct ESG services offer accompanied by a plan to develop, launch and run it. EBMOs also publicly launched the research reports at events attended by EBMO members, government officials, stock exchange representatives, the media and other stakeholders. This helped EBMOs to **increase their public profile, raise awareness of ESG issues, and advertise their new services**.

For example, the Employers' Confederation of the Philippines (ECOP), Business Eswatini (BE) and the Association of Tanzania Employers (ATE) all developed "ESG State of Play" reports. These were launched at high-level events attended by business leaders and government officials.

while research and information gathering remain important components of a high-quality ESG programme, not all EBMOs start with research, and the above approach is not prescriptive. For instance, the Mongolian National Chamber of Commerce and Industry (MNCCI) started its ESG programme with an ESG conference for Mongolia's top 150 companies entitled "National Conference on Business Integrity" in November 2025. In contrast, the first step of the Nigeria Employers' Consultative Association (NECA) was to identify the right organization to partner with. NECA subsequently formed a partnership with a company offering ESG consultancies. The additional expertise helped NECA to hit the ground running when it came to setting up ESG services for its members.

Many EBMOs follow similar trajectories, creating opportunities for peer learning

Once EBMOs start on their ESG journey, they tend to take a common path with four main stages, and the ILO LEADER Programme provides products that support EBMOs every step of the way.

1. ESG training courses

First, EBMOs tend to develop basic **ESG training courses** for their members on key issues such as ESG materiality and ESG risks and opportunities. Feedback from enterprises shows that they particularly appreciate the opportunity to learn from other companies.

For example, during an ESG training workshop held by the Nigeria Employers' Consultative Association (NECA), a manufacturing company representative told other participants about a new enterprise-wide packaging material recycling programme. Previously, the company would buy raw materials and make packaging material from scratch. The new recycling programme reduces costs, has environmental benefits, and supports people who earn income from collecting and returning the packaging material. Three other participants immediately said they would go back to their enterprise after the training and implement a packaging material recycling programme.

▶ ILO LEADER Programme support for EBMOs

The ILO LEADER Programme has produced +20 tools that support EBMOs at every step of their ESG journey. These include:

- Amendable **business case templates** to bring members on board with ESG, or to influence stakeholders such as the government.
- A full introductory **ESG training course "ESG Leadership Essentials"** designed to be run by EBMOs for members and including a slide deck, templates, tools and practical exercises.
- An **ESG consultancy services guide** for EBMOs **"How to set up successful ESG advisory services"**. This walkthrough guide allows EBMOs to help individual SMEs develop a basic ESG strategy and reporting framework.
- A **knowledge brief series** featuring research on what ESG services EBMOs offer their members, ESG benefits for EBMOs, ESG trends, and more.

The ILO LEADER Programme also shares useful ESG tools produced by EBMOs themselves, including the aforementioned ESG State of Play reports.

For further information please see the [ILO LEADER Programme's web pages].

2. ESG consultancy or advisory services

Training courses are often followed by **ESG consultancy services** for members who would like a more in-depth service and who are more private about their ESG performance. This was, for example, the case for the Federation of Kenya Employers (FKE), which rolled out an ESG training course for enterprises in October 2022, with the course design based on information gathered through the ILO LEADER Programme's ESG Pulse Check and member focus groups. By May 2025, a total of 123 companies had participated. Several of these companies wished to take things a step further and FKE provided them with tailored consultancy services. The ESG training courses not only created demand for sustainability consultancy services but also contributed to covering the costs of these first consultancies.

As their ESG services, maturity and capacity develops, EBMOs tend to start offering **more bespoke services**, which are often also more technical. For example, the Employers' Confederation of the Philippines (ECOP) added training modules on carbon accounting and ESG reporting to its ESG training offer.

3. Advocacy

ESG consultancy is often followed, or accompanied, by a more active approach to **ESG advocacy**. The Association of Tanzania Employers (ATE) has ensured through advocacy that the country's business graduates are trained in ESG topics, while Business Eswatini (BE) is working with financial institutions to ensure access to sustainable finance for its members, including SMES.

4. Organizational structures

As their ESG focus and capacity grows, and more topics are brought under the ESG umbrella, EBMOs tend to adapt their **organizational structures** and ways of working. This can include:

- Opening a new position for an **ESG focal point** or setting up a new ESG unit or department.
- Setting up a **member committee** on ESG or widening the remit of an existing committee.
- **Mainstreaming ESG** throughout the EBMO's work, for example by highlighting the importance of ESG in efforts to promote diversity, equity, and inclusion (DEI).
- Allocating responsibility for, and oversight of, the **EBMO's own ESG performance** to the highest levels, such as the EBMO board of directors.

The way the EBMO reorganizes functions and activities should match its needs and capacity. For example, the Nigeria Employers' Consultative Association (NECA) created a new post for a Sustainability Focal Point and is mainstreaming ESG across all other EBMO activities. This includes ESG side events at EBMO jobs fairs.

While not all EBMOs may initially have resources for this type of reorganization, there are other options. Business Eswatini's existing high-level EBMO committee on energy and sustainability expanded its remit and was rebranded as an ESG committee.

EBMOs leading by example makes a difference

EBMOs represent the collective **voice of business**. If they demonstrate ESG principles internally, they strengthen their credibility when advocating for responsible practices externally. EBMO members, governments, and others are more likely to trust an EBMO that "walks the talk." EBMOs that embrace ESG as organizations also obtain practical experience of doing ESG, putting them in a better position to understand and support their members.

According to the ILO LEADER Programme survey[4] in 2025, one in five EBMOs already had an internal ESG strategy in place, while three in 10 were in the process of developing one. The top five internal ESG initiatives across all EBMOs were:

- Employee health and wellness (52 per cent)
- Ethical business practices (48 per cent)
- Corporate governance policies (48 per cent)
- Waste reduction and recycling (46 per cent)
- Energy efficiency (37 per cent)

An important part of leading by example is carrying out an ESG self-assessment or external assessment.

For example, the Paraguayan Industrial Union (UIP) underwent an external assessment. To demonstrate its own ESG credentials, the UIP is also working towards obtaining ISO 14001 (Environmental Management Systems), which it expects to achieve in 2026.

Leading by example has been especially important for the UIP as it launched a government-backed certification scheme for members called the *Sello Verde* (green seal) in August 2025. This is a national certification for businesses that use the Greenhouse Gas (GHG) Protocol methodology to calculate their carbon footprints. It is also a stepping stone to obtaining ISO 14001. During the first certification round, also in August 2025, 129 companies were accredited with the *Sello Verde*.

Build the right partnerships

Most EBMOs develop new **partnerships** as a result of their focus on ESG. These can include training partners, ESG consultancies, stock exchanges, universities, financial institutions, UN entities, and more.

Training and consultancy partners

Several of the EBMOs that participated in the ILO LEADER Programme worked with **training partners**. ESG is a field that can quickly become highly technical. Delivery of modules on, for example, carbon accounting or ESG reporting for large businesses, can sometimes be more easily delivered in partnership with experts. This can include partnerships with other EBMOs. For example, the Association of Tanzania Employers (ATE) is delivering ESG training for its members in partnership with the Confederation of Norwegian Enterprises (NHO), while the Employers' Confederation of the Philippines (ECOP) previously built an SDG scan for members in collaboration with the Confederation of Danish Industry.

Training partnerships between EBMOs that take the shape of mentoring can also be very productive. For example, Business Eswatini (BE) and the Association of Tanzania Employers (ATE) joined an ESG enterprise training hosted by the Federation of Kenya Employers (FKE) as part of their ESG learning process.

Some EBMOs, such as the Honduran Council of Private Enterprise (COHEP), are building the ESG capacity of their sectoral associations to enable them to train their own members. This helps to quickly cascade the benefits of ESG down to the enterprise level. It also directly benefits EBMO members that are themselves smaller EBMOs.

When it comes to **ESG consultancy or advisory services**, EBMOs are often well-placed to provide basic services but may lack in-depth technical knowledge, at least to begin with. In this type of situation, the EBMO can forge partnerships with external expert consultancies. EBMO members can then benefit from a pool of experts coordinated by the EBMO, while the EBMO takes a brokerage fee from its consultancy partner. This also prevents outright competition between the EBMO and ESG consultancies, which could be damaging for both.

Wider partnerships

Partnerships are useful beyond direct service provision to members. EBMOs that embrace ESG often find that it leads to new opportunities for fruitful partnerships. For example, Business Eswatini developed a new partnership with the national office of the UN Development Programme (UNDP) to take an in-depth look at national ESG success stories with a view to scaling impactful enterprise policies and practices. The Employers Confederation of the Philippines (ECOP) built new relationships with both the national export authority and the Manila stock exchange. The latter is considering an ESG performance review of enterprises

[4] ILO, *Leading the Sustainability Agenda: Global and Regional Insights for Employer and Business Membership Organizations*, 2025.

trained by ECOP using ILO LEADER Programme materials with a view to establishing a business case to inspire all listed companies.

Track your members' ESG performance (and your EBMO's!)

EBMOs that provide ESG services can benefit significantly from **tracking the ESG performance** of their members. The resulting figures not only feed into advocacy efforts but also help to demonstrate the business case for ESG, and, importantly, the positive impact of the EBMO's ESG services.

For example, Business Chamber Queensland actively monitors the ESG performance of the SMEs it supports on ESG to determine programme impact. This has resulted in convincing figures that have helped the Chamber to attract new businesses and funding, with advocacy efforts, and to become a finalist in the Banksia 2025 National Sustainability Award.

During the 2024-25 financial year, enterprises that participated in ecoBiz, one of the Chamber's ESG programmes, avoided (compared to their baselines):

- More than AUD 1.9 million in costs, equivalent to around USD 1.26 million.
- 10,244 tCO_2e in carbon emissions, equivalent to 3,000 passenger vehicles on roads for a year.
- 40,402 GJ in energy, equivalent to more than 2,000 times the average Queensland household annual electricity use.
- 46,142 kl or 18 Olympic-sized swimming pools of water.
- 1,320 t of waste, equivalent to18,000 general waste wheelie bins.

Of course, for EBMOs to lead by example, it is also crucial to track their own ESG performance. This means that progress can be celebrated and issues can be identified and addressed, all while maintaining credibility and trust among key stakeholders.

Conclusions

Experience shows that EBMOs can rapidly develop relevant, financially sustainable ESG services for their members. The process starts with a clear understanding of member needs and the ESG market, builds on existing activities, uses the ILO LEADER Programme products, and forges the right partnerships. Leading by example and tracking both members' and EBMO ESG performance ensures EBMOs are seen as effective, trustworthy partners.

EBMOs have the potential to turn ESG from a perceived burden into a **core value proposition** for both the EBMO and its members. In doing so, they position themselves as credible ESG leaders and key players when it comes building more sustainable, resilient economies.

International Labour Organization
Route des Morillons 4
CH-1211 Geneva 22
Switzerland

T: +41 22 799 7239
E: act-emp@ilo.org

DOI: https://doi.org/10.54394/00033982