

# Carrots & Sticks

## The world's most comprehensive ESG and sustainability policy database

### Overview

**Carrots & Sticks** is an online database and document repository of mandatory and voluntary public policies that shape businesses' sustainability and environmental, social and governance (ESG) impact.

The data comprises **2,463** policies in **132** countries, **76** international and regional organizations, in **38** languages, which range from 1897 to the present day.

Regular updates ensure that C&S has the most up-to-date policies from all around the globe. The 2023 edition of the Carrots & Sticks report will provide an analysis based on the updated dataset of policies.

### Carrots & Sticks development

In April 2023 the partners of C&S expanded to also include the University of Edinburgh and King's College London as part of the development of the database – joining GRI, Stellenbosch University and the UN Environment Programme (UNEP).

The online repository now offers the original policy documents (in PDF and txt formats). All policies are available in their original language as well as high quality English translations.

Each policy is analyzed using advances in natural language processing and machine learning and a range of relevant metrics at different levels are presented.

### Policy instrument metrics

Each policy is coded according to the following indicators:

<b>Summary</b>	Provides a short, written summary of the policy
<b>Policy title</b>	Specifies the title in English and, when the original policy is in another language, in that language
<b>Year</b>	Details when the policy was issued
<b>Issuer</b>	Names the specific public authority that authored the policy
<b>Disclosure</b>	Shows whether the policy requires firms to disclose information about their sustainability activities or not
<b>Mandatory/Voluntary</b>	Indicates if the policy legally requires compliance or is it voluntary
<b>Restrictiveness</b>	Breaks down the policy by its proportional use of the language of compulsion and deterrence around firms' sustainability activities
<b>Restrictions on business</b>	Measures how the language of 'restrictiveness' applies directly to business and business actors
<b>ESG</b>	Analyzes the policy by its proportional focus on Environmental, Social and Governance issues, with a list of key ESG terms per policy
<b>Sustainable Development Goals</b>	Lists all SDGs mentioned in each policy
<b>Most targeted industries</b>	Classifies the policy by its proportional focus on 21 sectors of economic activity (e.g., agriculture, finance, healthcare, manufacturing, retail trade)
<b>GRI</b>	Identifies all GRI Standards mentioned in each policy



# How to use the Carrots & Sticks Database

The screenshot shows the homepage of the Carrots & Sticks database. At the top, there is a navigation bar with links for Home, Policies, About Carrots & Sticks, Methodology, and Contact. A prominent green button labeled "Go to international instruments" is located in the top left. A world map is the central focus, with various countries highlighted in green. A tooltip over the Netherlands indicates "Number of instruments in Netherlands: 26".

**Clicking on the International Instruments button will allow you to view those that apply on a global scale.**

**On the C&S homepage, hover your mouse over the countries in green to view the number of policies by country. Click on a country to find out more information.**

This section illustrates the search and results interface. The top part shows the "Policies" page with a search bar and filter options for Region (Africa, Asia, Europe, International) and Issuer (African Union, Albania, Algeria, APEC). Below this, a detailed results page for "Gelecekte Var Olmak" is shown, including a summary table and text analysis.

**From the main navigation, you can also access the Policies page for a full overview of all policies included in the database.**

**This page enables filtering based on different characteristics – such as issuer, issuer type, region, mandatory or voluntary, and geographical scope.**

**Example of a results page**

Summary	
Issuer	Turkey
Year	2020
Region	Asia
Issuer (type)	Borsa Istanbul (Stock Exchange)
Instrument type	Guide
Disclosure instrument	No
Geographical scope	National
Mandatory or voluntary	Voluntary

**Text analysis**

- + Restrictiveness
- + Restrictions on business
- + ESG
- + Sustainable Development Goals
- GRI standards
  - GRI 103, GRI 301, GRI 302, GRI 303, GRI 305, GRI 306, GRI 401, GRI 403, GRI 404, GRI 102
- + Main industries targeted



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