Stakeholder Forum and New World Frontiers HLPF ‘Pop-up’ Side Event: Financing for the Sustainable Development Goals and the Paris Climate Agreement: The UN Ecosystem of Initiatives on Private Sector Finance

Tuesday, July 13th 10:45 to 11:45 New York

Featuring

Felix Dodds, Adjunct Professor at the University of North Carolina, USA

Krishnan Sharma, Chief, Strategic Engagement Unit, Financing for Sustainable Development Office, United Nations Department of Economic and Social Affairs

Olcay Patrycja Tetik, Knowledge Management and Communications Specialist, United Nations Development Programme SDG Finance Sector Hub

Marie Morice, Head of Sustainable Finance United Nations Global Compact

Tony Bonnici, Officer in Charge Cooperation and Partnerships Section, United Nations Economic Commission for Europe

Raymond Landveld, Economic Affairs Officer, United Nations Conference on Trade and Development, New York Office

Liesel Van Ast, Membership and Regional Co-ordination Manager, United Nations Environment Programme Finance Initiative

Moderated by Charles Nouhan, Chairman, Stakeholder Forum for a Sustainable Future
Felix Dodds
Adjunct Professor to the Water Institute
University of North Carolina
A Few Players Control Much of the Flow

1. Best Broker Overall (Exel, 2016)
   1. Morgan Stanley
   2. Bank of America Merrill Lynch
   3. UBS
   4. Exane BNP Paribas
   5. JPMorgan
   6. Deutsche Bank
   7. Citi
   8. Credit Suisse
   9. HSBC
   10. Société Générale

2. Largest Investment Consultants (Pensions & Investments, 2016)
   1. Mercer
   2. Aon Hewitt
   3. Russell Investments
   4. Cambridge Associates
   5. Callan Associates

3. Largest Pension Funds Worldwide (Willis Towers Watson, 2016)
   1. Government Pension Investment, Japan
   2. Government Pension Fund, Norway
   3. Federal Retirement Thrift, US
   4. National Pension, South Korea
   5. ABP, Netherlands
   6. National Social Security, China
   7. California Public Employees, US
   8. Central Provident Fund, Singapore
   9. Canada Pension, Canada
   10. PTZW, Netherlands

4. Largest Asset Managers Worldwide (Willis Towers Watson, 2016)
   1. BlackRock
   2. Vanguard Group
   3. State Street Global Advisors
   4. Fidelity Investments
   5. Allianz Group
   6. J.P. Morgan Chase
   7. Bank of New York Mellon
   8. AXA Group
   9. Capital Group
   10. Goldman Sachs Group

5. Largest Stock Exchanges (World Federation of Exchanges, 2016)
   1. New York Stock Exchange
   2. NASDAQ
   3. Japan Exchange Group Inc.
   4. Shanghai Stock Exchange
   5. Euronext
   6. Shenzhen Stock Exchange
   7. LSE Group
   8. Hong Kong Exchanges and Clearing
   9. TMX Group
   10. BSE India Limited

Workers

Stock Exchanges

Sell-Side Brokers

Buy-Side Fund Managers

Asset Owners

Investment Consultants

Retail Financial Advisors

Listed Companies

Projects / Asset Investments & Operations

Human Rights
Labour Standards
Business Ethics
President of the seventieth session of the United Nations General Assembly

H.E. Mr. Mogens Lykketoft (Denmark)

June 2012 - Stock Exchanges and ESG reporting

April 2016 – Finance for Development Forum

September 2016 - Links in the Chain of Sustainable Finance: Accelerating Private Investments for the SDGs, including Climate Action

Brookings Institute with the support of UNCTAD, FfD Office, UNEP FI, UNDP, UN Global Compact, UN Secretary General’s Office

December 2019 - Promoting investments for sustainable development (UNGA 74/199) – Under PGA

Mr. Tijjani Muhammad-Bande (Nigeria)
Mobilizing Private Finance and Investment for the SDGs

Krishnan Sharma
Chief, Strategic Engagement Unit
Financing for Sustainable Development Office
United Nations Department of Economic and Social Affairs
Mobilizing Private Finance and Investment for the SDGs

Two inter-related challenges:

a) Increasing the supply of finance and long-term investment aligned with sustainable development;

a) Channeling adequate long-term investment to countries and sectors where it is urgently needed.
GISD Alliance: 30 global leaders from financial and non-financial companies

Objectives:

- Moving the money: Development of innovative instruments and platforms
- Transforming the investment ecosystem: Shifting incentives to the long-term
- Increasing impact: Development of SDG-related metrics

-> Scale up long-term investment for sustainable development

GISD Members identified key requirements to scale up investments:

- Large-scale investment opportunities
- Well-structured projects with risk-adjusted returns
- Support for investments, for example through risk insurances, guarantees

https://www.gisdalliance.org/
❖ Objectives:
❖ Country presentations: Facilitate direct interaction between countries and investors
❖ Policy spotlights: Discuss critical policies and regulations that shape an attractive environment for SDG investment
❖ Discussion with representatives of the Global Investors for Sustainable Development (GISD) Alliance on its deliverables

❖ Focus areas:
❖ Scaling-up long-term investment for sustainable infrastructure
❖ Developing and implementing SDG-related metrics
❖ Shifting incentives towards the long-term

❖ Opportunities for engagement:
❖ Support governments in the preparation of country presentations
❖ Organize country workshops on the development of project pipelines
❖ Mobilize stakeholders at the country level
❖ More info online here
Olcay Patrycja Tetik
Knowledge Management & Communications Specialist
United Nations Development Programme
SDG Finance Sector Hub
“Time to redouble our efforts to build more inclusive and sustainable economies and societies” UN SG António Guterres

**UNDP’s SDG Finance Work**

- **Climate Promise**: 114 countries including 37 LDCs, 28 SIDS and 24 High Income
- **SDG Impact Standards for Private Equity (unlimited, Bonds and Intentional/Excluded)**
- **G20 UNDP-OECD: Developing Framework for SDG-compatible Finance; Consulted 30+ experts including RECs, UNFCC, UNDESA and private sector**
- **Sustainable Insurance Forum (SIF): UNDP/OECD**
- **SDG Cluster Group on Greening the Financial System (NSGF)**
- **Taskforce for Nature-Related Financial Disclosures (TFNRD)**
- **Biodiversity Finance Initiative (BFII)**

- **BDG Dialogue on Global Digital Finance Governance**
- **People’s Money: Harnessing Digitalisation to Finance a Sustainable Future (DFF Final report)**
- **SDG Digital Finance Accelerator / SDG Accelerators**
- **8+4 HR**
- **Gender Equality Seal for Public and Private Organisations**
- **Connecting Business Initiative (CBDI)**
- **Business Call to Action (BACSA)**
- **COVID-19 P5 taskforce**

**SDG Investor Maps**
- 8 completed (Africa, Brazil, India, Colombia, India, Nigeria, South Africa, Turkey), 8 ongoing, 35 planned for 2021

**G20 Development Working Group with OECI**

- **UNDP Climate Investment Platform (CIP)**
- **Insurance and Risk Finance Facility**
- **$5.6bn capital to be deployed in 30 countries by 2025**

**UNIDO**

- **Implementation with: EU, UNDESA, IMF in 58 countries**
- **$5bn from OECI and SDG Fund**
- **Working with ROO and UNCTs to align COVID-19 recovery financing**
- **UN Regional Commissions, UNCTs, support Joint Knowledge Management portal**
- **G20 Sustainable Finance Workshop**
  - **Cluster 1: Aligning Public and Private Sector Finance to the SDGs and NDCs**
  - **DG II: Recovering Better for Sustainability**
  - **DG III: Financing for Development in the Era of COVID-19 and Beyond**
- **G20 Sustainable Finance Working Group**

**Impact Standards for Financing Sustainable Development**

**www.sdgfinance.undp.org**
Ongoing + Planned (37)
Bolivia, Belize, Costa Rica, Djibouti, Indonesia, Jamaica, Malawi, Sri Lanka, United Republic of Tanzania, Uruguay, Angola, Bangladesh, Barbados, Benin, Cambodia, Cameroon, Chile, Dominican Republic, Egypt, Eswatini, Ethiopia, Gabon, Guinea, Kuwait, Lao People’s Democratic Republic, Lebanon, Mauritius, Malaysia, Madagascar, Mexico, Peru, Philippines, Somalia, Thailand, Togo, Ukraine, Viet Nam, Zambia

Insurance and Risk Finance Facility Map (16)
Algeria, Argentina, Bangladesh, Colombia, Ghana, India, Indonesia, Jordan, Nigeria, Pakistan, Panama, Thailand, Uganda, Tanzania, Uzbekistan, Viet Nam

SDG Impact Standards
Investors and enterprises are increasingly aligning their activities with the SDGs. What’s missing is a clear framework for integrating impacts on SDGs into business and investment decision making.
• SDG Impact Standards for Private Equity Funds
• SDG Impact Standards for Bonds
• SDG Impact Standards for Enterprises

Digital Finance
UN Secretary-General’s Task Force on Digital Financing for the SDGs (DFTF)
Impacts of BigFintechs on sustainable development
Corporate governance innovations
International governance, policymaking, the SDGs.
COVID-19 Private Sector Global Facility

The Global Facility is a unique multistakeholder partnership including public sector, business networks and global private sector actors.

Objectives

1. Support sustainable economic recovery by empowering SMEs to be resilient and become the vanguard of economic growth.
2. Alleviate poverty and prevent the significant loss of livelihood and employment.
3. Form new partnerships globally and locally: creating a connective tissue to address key challenges.

Solutions

Addressing the most pressing challenges threatening SME survival and focus on promoting SME resilience through public-private partnerships.
1. Empowering SMEs with digital capabilities
2. Deploying digital solutions to advance trade and commerce
3. Integrating SMEs into sustainable procurement, responsible supply chains and delivery of essential services
4. Boosting access to capital
5. Strengthening SMEs through collective action and coordination

Connecting Business initiative (CBI)

CBI engages the private sector strategically before, during and after emergencies, increasing the scale and effectiveness of the response and recovery in a coordinated manner.

Results in 2020

<table>
<thead>
<tr>
<th>17</th>
<th>3,600</th>
<th>15+ M</th>
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<tbody>
<tr>
<td>Business networks supported</td>
<td>Core members from different sectors *</td>
<td>People reached for COVID-19 response</td>
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<tr>
<td>*CBI networks also work with more than 40,000 MSMEs</td>
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</table>

CBI assisted business networks in COVID-19 response, including providing guidance and resources, funding and technical assistance:

- In the Philippines, the network and partners raised over US$30 million to support over one million people living in poverty in Metro Manila.
- In Madagascar, the network supported the government in setting up a digital passenger information system at a pilot bus station to better track COVID-19 cases.
- In Haiti, Sri Lanka, Philippines, and Mexico, the networks have supported the healthcare system by providing and producing PPE, supporting communication systems, electricity and transport for healthcare workers.

Business Call to Action (BCtA)

BCtA aims to accelerate progress towards the SDGs by challenging companies to develop inclusive business models that engage people at the base of the economic pyramid (BoP) – in core activities as consumers, producers, suppliers, distributors of goods and services and employees.

BCtA COVID-19 response:

- launched the SDG Corporate Tracker in collaboration with UNDP Colombia, the National Planning Department (DNP), The Global Reporting Initiative (GRI) and 5 local partner organizations (140 companies reporting contributions)
- Delivered 6 webinars on effective COVID-19 responses
- Launching a health-tech cohort to develop effective solutions to the current crisis
- Producing a stand-alone COVID-19 response page and launching a WhatsApp group for member companies to share insights
- Survey on business response to COVID-19 in collaboration with UNDP ImpactAim, CBI and SDG Accelerator

MSMEs account for 90% of jobs, 80% capital flows, 60% GDP
CFO TASKFORCE FOR THE SDGs

Marie Morice
Head of Sustainable Finance
United Nations Global Compact

July 13th 2021
UNGC CFO TASKFORCE FOR THE SDGS (Globally launched at UNGA 2019) 
AT THE HEART OF THE UN FFD AGENDA

UN Global Compact launched a Taskforce of Chief Financial Officers, as stewards of trillions of dollars in corporate investments, to direct funds towards SDGs, at the heard of the UN FFD Agenda
## STRATEGY 2021-2023

### Vision

**FINANCE GLOBAL CORPORATE INVESTMENTS FOR THE SDGS**

### Goals

<table>
<thead>
<tr>
<th>GOAL 1</th>
<th>GOAL 2</th>
<th>GOAL 3</th>
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<tbody>
<tr>
<td>Engage the Global CFO Community</td>
<td>Integrate the SDGs into Strategy, Financing and IR</td>
<td>Create a Broad Sustainable Finance Market</td>
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</tbody>
</table>

### Focused on Action, individual & collective

- Blueprint for integration of CFO Principles in operations
- Global initiative for corporate SDG investments and finance
- Platform for financial innovation and investor communication
- Platform for high-level policy engagement on Sustainable Finance

### Engage Key Actors

- CFOs
- Investors
- Credit Rating Agencies and Index Providers
- Banks
- Development Finance Institutions

### Baseline

- Commitment to the Ten Principles of the UN Global Compact

*Source: UN Global Compact Sustainable Finance*
60 PARTICIPANTS, FAST GROWTH RATE

New Members

CHANEL
H&M
Palladium

Tata Steel
Workiva
**FFD**  
**CFO TASKFORCE STRATEGIC PARTNERSHIPS**

**Investor Networks**
- Capture investor priorities; highlight corporate perspective; align common agendas; promote corporate investments

**Development Banks/Organizations**
- Leverage knowledge and financial support for corporate SDG investments in emerging markets; connect on FDI agenda

**UN Sustainable Finance Initiatives**
- Find complementarity for a wholistic UN approach to sustainable finance; leverage various links of investment value chain

**Standards setters**
- Advocate for CFO perspective on sustainable finance framework, taxonomies, integrated reporting

**Corporate Networks**
- Spread message beyond UNGC companies; join force in promoting a corporate perspective for sustainable finance

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*Formal relationship not yet established*  
*Source UN Global Compact Sustainable Finance*
## GLOBAL POLICY FORUM AND HIGH-PROFILE EVENTS

<table>
<thead>
<tr>
<th>1</th>
<th>GLOBAL POLICY FORUMS</th>
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<tbody>
<tr>
<td><strong>UN Conventions and Framework</strong></td>
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<tr>
<td>▪ Agenda 2030 (SDGs)</td>
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<td>▪ Paris Agreement</td>
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<td>▪ Addis Ababa Action Agenda (AAAA)</td>
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<tr>
<td><strong>Other Forums</strong></td>
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<tr>
<td>▪ G20 / G7</td>
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<td>▪ World Bank Group</td>
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<td>▪ OECD</td>
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<td>▪ EU Sustainable Finance</td>
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### Role of Taskforce CFOs
Highlight companies’ contribution and perspective in the global agenda for sustainable finance.

<table>
<thead>
<tr>
<th>2</th>
<th>GLOBAL AND REGIONAL EVENTS</th>
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<tbody>
<tr>
<td>▪ Gender Diversity, US (March)*</td>
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<td>▪ GreenFin, US (April)*</td>
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<td>▪ SDG Investment Fair, US (April)*</td>
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<td>▪ UNGC Leaders Summit, US (June)*</td>
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<td>▪ UN HLF, US (July)*</td>
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<td>▪ PRI in person, Japan (Sept)</td>
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<td>▪ 76th UN General Assembly, US (Sept)*</td>
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<td>▪ COP26, UK (Nov)*</td>
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<td>▪ A4S Leaders Summit, UK (Dec)*</td>
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<tr>
<td>▪ CFO Taskforce annual Summit, (Dec)*</td>
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</tbody>
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### Role of Taskforce CFOs
Speak at events and disseminate Taskforce core vision and messages to build a global CFO community.

<table>
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<tr>
<th>3</th>
<th>REGIONAL AND LOCAL INVESTMENT FORUMS</th>
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<tr>
<td>▪ ASEAN (ML)</td>
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<tr>
<td>▪ Brazil</td>
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<td>▪ France</td>
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<td>▪ Japan</td>
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<td>▪ Singapore</td>
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<td>▪ South Africa</td>
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<td>▪ Turkey</td>
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<td>▪ UAE</td>
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<td>▪ USA</td>
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<td>▪ UK</td>
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</table>

### Role of Taskforce CFOs
Present SDG impact theses and investments to investors; promote SDG-linked financial products.

* Confirmed participation

**Source** UN Global Compact Sustainable Finance
Liesel Van Ast
Membership and Regional Co-ordination Manager
UN Environment Programme Finance Initiative

Working with banks, insurers and investors to create a sustainable financial sector

July 2021
United Nations Environment Programme Finance Initiative (UNEP FI) is a partnership between UNEP and the global financial sector to mobilize private sector finance for sustainable development. We aim to inspire, inform and enable financial institutions to improve people’s quality of life without compromising that of future generations.
Working with banks, insurers and investors to create a sustainable financial sector
## Industry-based principles

**Catalyze integration of sustainability into financial market**

The frameworks UNEP FI has established or co-created include:

<table>
<thead>
<tr>
<th>Framework</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td><strong>Principles for Responsible Banking</strong></td>
<td>Launched with more than 130 banks collectively holding USD 47 trillion in assets, or one third of the global banking sector, on 22 September 2019.</td>
</tr>
<tr>
<td><strong>Principles for Sustainable Insurance</strong></td>
<td>Established 2012 by UNEP FI and today applied by one-quarter of the world’s insurers (25% of world premium).</td>
</tr>
<tr>
<td><strong>Principles for Responsible Investment (PRI)</strong></td>
<td>Established in 2006 by UNEP FI and the UN Global Compact, now applied by half the world’s institutional investors (USD 83 trillion).</td>
</tr>
</tbody>
</table>
WE BELIEVE THAT ONLY IN AN INCLUSIVE SOCIETY FOUNDED ON HUMAN DIGNITY, EQUALITY AND THE SUSTAINABLE USE OF NATURAL RESOURCES, CAN OUR CLIENTS AND CUSTOMERS AND, IN TURN, OUR BUSINESSES THRIVE.
UN-Convened Net-Zero Alliances

The United Nations-convened Net-Zero alliances are part of the Glasgow Financial Alliance for Net Zero (GFANZ). Co-convened and co-launched by Mark Carney (the UK Prime Minister’s Finance Advisor for COP26 and UN Special Envoy for Climate Action and Finance) in partnership UNFCCC Climate Action Champions Nigel Topping and Gonzalo Munoz, and the UN Race to Zero campaign, and the COP26 Presidency.

The alliances use science-based guidelines to reach net zero emissions by 2050 or before, include interim target setting, and commit to transparent reporting and accounting.
UNEP FI supports the Sustainable Stock Exchanges Initiative (SSEI), launched in 2012 with UNCTAD, UN Global Compact, and the PRI.

UNEP FI hosts the Sustainable Blue Economy Finance Initiative, supporting the implementation of the Sustainable Blue Economy Finance Principles launched in 2018. The principles were developed by the European Commission, WWF, the World Resources Institute (WRI) and the European Investment Bank (EIB).