

# Engaging the Private Sector in the Sustainable Development Goals

SICCI Business After 5  
8 September 2017



# Outline

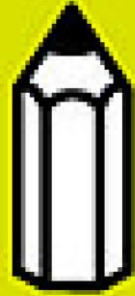
- Over view of transition from MDGs to SDGs:
  - Unfinished business
  - what is new?
- Private sector involvement and engagement
  - Principles
  - Global initiatives and platform
  - Regional example

# Millennium Development Goals (MDGs)



**1**

**ERADICATE EXTREME  
POVERTY AND HUNGER**



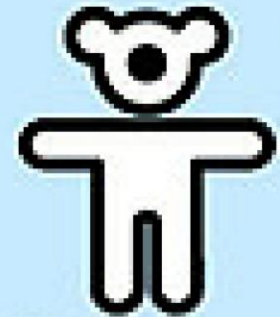
**2**

**ACHIEVE UNIVERSAL  
PRIMARY EDUCATION**



**3**

**PROMOTE GENDER  
EQUALITY AND  
EMPOWER WOMEN**



**4**

**REDUCE  
CHILD MORTALITY**



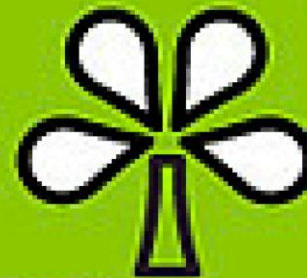
**5**

**IMPROVE MATERNAL  
HEALTH**



**6**

**COMBAT HIV/AIDS,  
MALARIA AND OTHER  
DISEASES**



**7**

**ENSURE  
ENVIRONMENTAL  
SUSTAINABILITY**



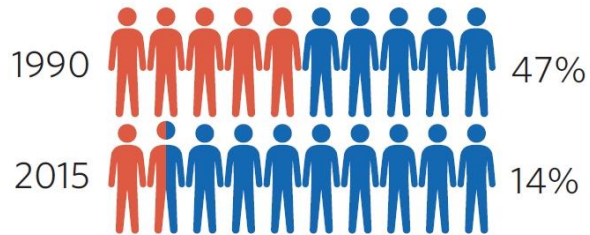
**8**

**GLOBAL  
PARTNERSHIP FOR  
DEVELOPMENT**

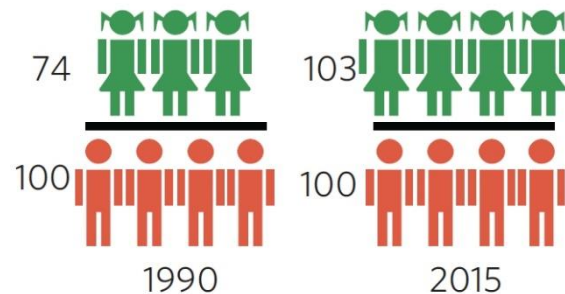
# MDGs Era: Spectacular Achievements (Global)



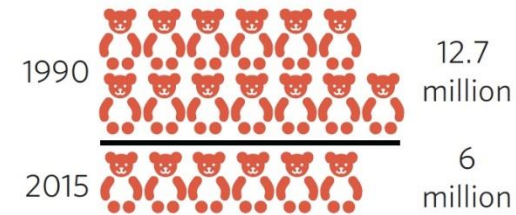
**Extreme poverty rate  
in developing countries**



**Primary school enrolment  
ratio in Southern Asia**



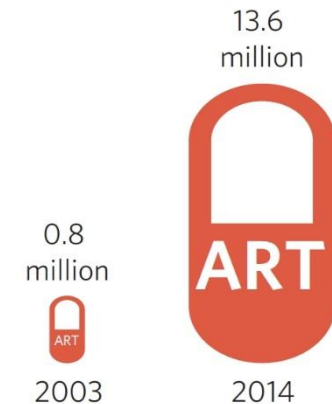
**Global number of deaths  
of children under five**



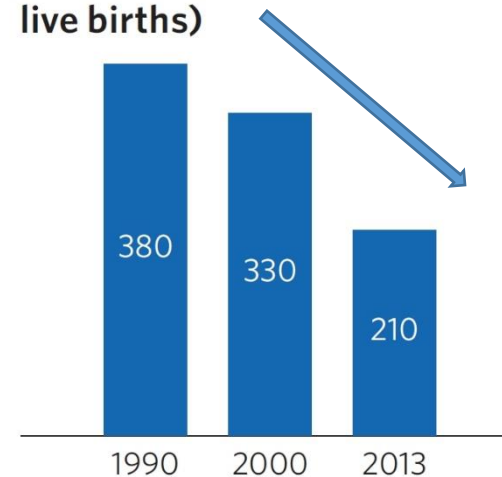
**2.6 billion  
people with  
improved  
drinking water**



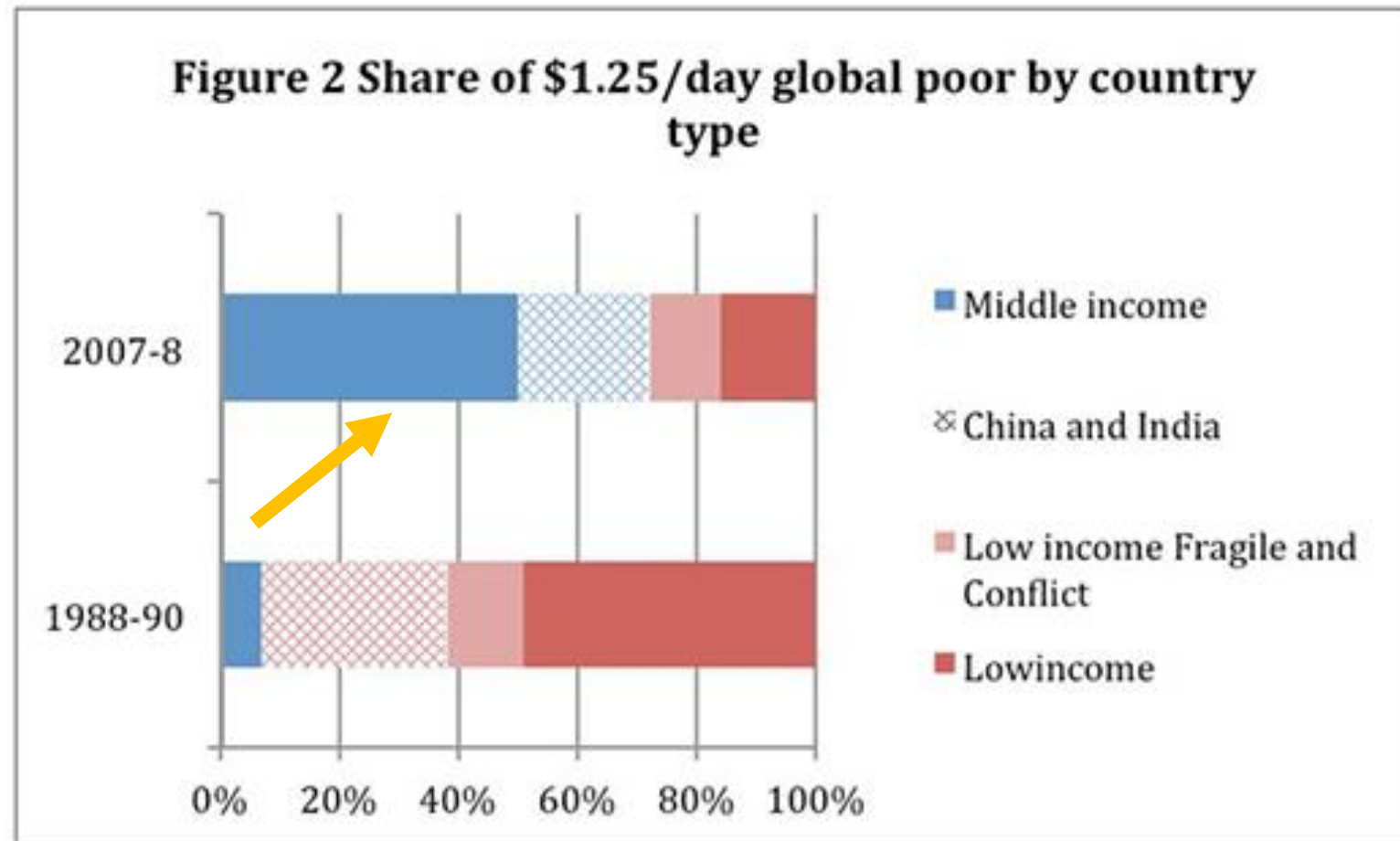
**Global antiretroviral therapy  
treatment**



**Global maternal mortality  
ratio (deaths per 100,000  
live births)**



## MDGs Era: Spectacular Achievements but uneven progress

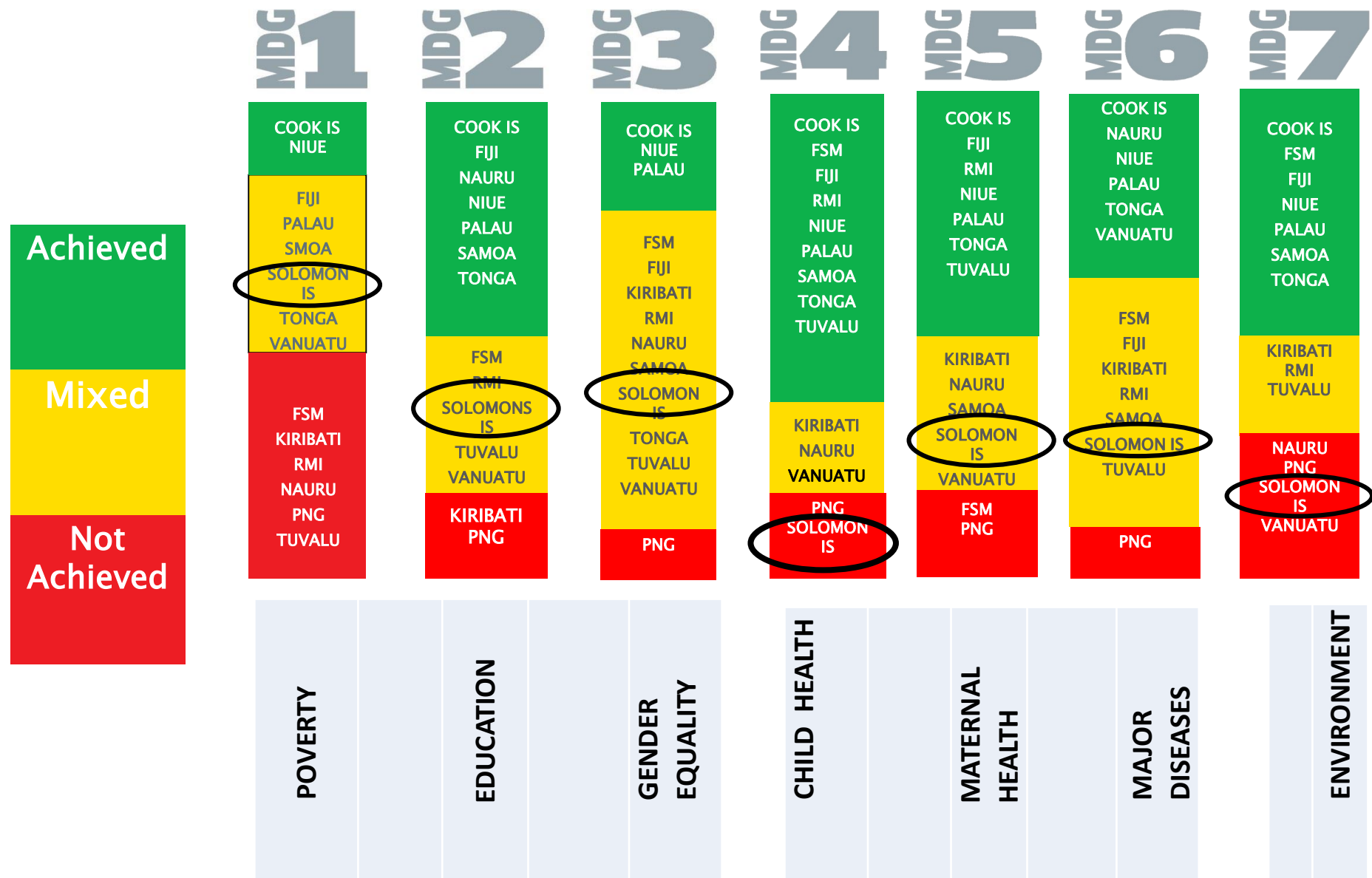


# 2015 MDG Pacific Tracking Report

	<b>MDG 1</b> Eliminate Extreme Poverty and Hunger	<b>MDG 2</b> Achieve Universal Primary Education	<b>MDG 3</b> Promote Gender Equality and Empower Women	<b>MDG 4</b> Reduce Child Mortality	<b>MDG 5</b> Improve Maternal Health	<b>MDG 6</b> Combat HIV/AIDS and Other Diseases	<b>MDG 7</b> Ensure Environmental Sustainability
<b>Melanesia</b>	<i>Off track</i>	<i>Off track</i>	<i>Off track</i>	<i>Off track</i>	<i>Off track</i>	<i>Off track</i>	<i>Off track</i>
<b>Melanesia (excl PNG)</b>	<i>Mixed</i>	<i>Mixed</i>	<i>Mixed</i>	<i>On track</i>	<i>Mixed</i>	<i>Mixed</i>	<i>Mixed</i>
Fiji	Mixed	On track	Mixed	On track	On track	Mixed	On track
PNG	Off track	Off track	Off track	Off track	Off track	Off track	Off track
Solomon Is	Mixed	Mixed	Off track	Off track	Off track	Mixed	Off track
Vanuatu	Mixed	Mixed	Mixed	On track	Mixed	On track	Off track
<b>Micronesia</b>	<i>Off track</i>	<i>Mixed</i>	<i>Mixed</i>	<i>Mixed</i>	<i>Mixed</i>	<i>Mixed</i>	<i>Mixed</i>
FSM	Off track	Mixed	Mixed	On track	Off track	Mixed	On track
Kiribati	Off track	Off track	Mixed	Mixed	Mixed	Off track	Off track
Marshall Is	Off track	Mixed	Mixed	On track	On track	Off track	Mixed
Nauru	Off track	On track	Mixed	Mixed	Mixed	On track	Off track
Palau	Mixed	On track	On track	On track	On track	On track	On track
<b>Polynesia</b>	<i>Mixed</i>	<i>On track</i>	<i>Mixed</i>	<i>On track</i>	<i>On track</i>	<i>Mixed</i>	<i>On track</i>
Cook Is	On track	On track	On track	On track	On track	On track	On track
Niue	On track	On track	On track	On track	On track	On track	On track
Samoa	Mixed	On track	Mixed	On track	Mixed	Mixed	On track
Tonga	Mixed	On track	Mixed	On track	On track	On track	On track
Tuvalu	Off track	On track	Mixed	On track	On track	Mixed	Mixed
<b>FICs</b>	<i>Off track</i>	<i>Off track</i>	<i>Off track</i>	<i>Off track</i>	<i>Off track</i>	<i>Off track</i>	<i>Off track</i>
<b>FICs (excl PNG)</b>	<i>Mixed</i>	<i>Mixed</i>	<i>Mixed</i>	<i>On track</i>	<i>Mixed</i>	<i>Mixed</i>	<i>Mixed</i>



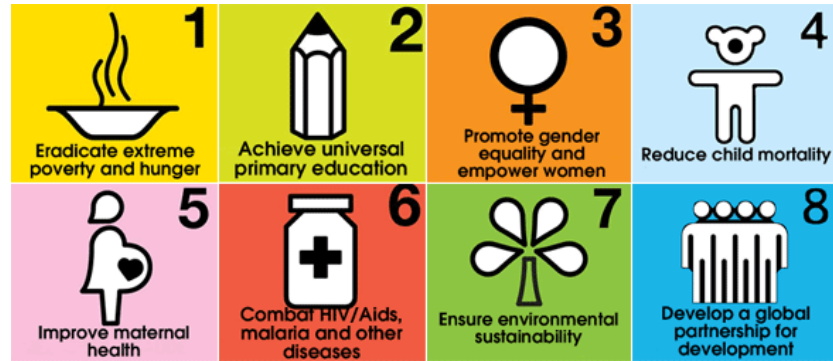
# The unfinished business of the MDG's



# The Global Goals need new ideas and resources



# From MDGs to SDGs

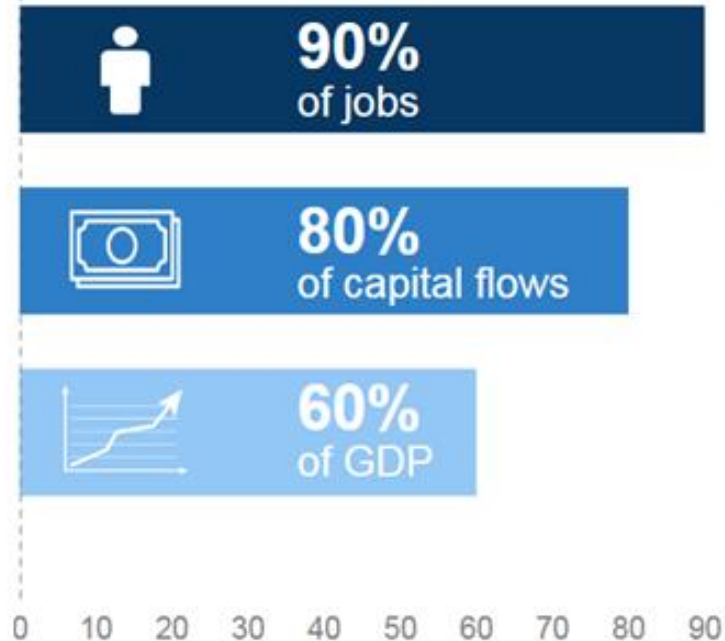


- “One size fits all”
- Top down, for dev. countries
- Vertical health programmes
- Narrow and incomplete

- Adapted & more inclusive
- Universal (all countries)
- Finish the ‘unfinished business’
- Respond to emerging challenges
- Leave no one behind

# Private sector contribution is essential

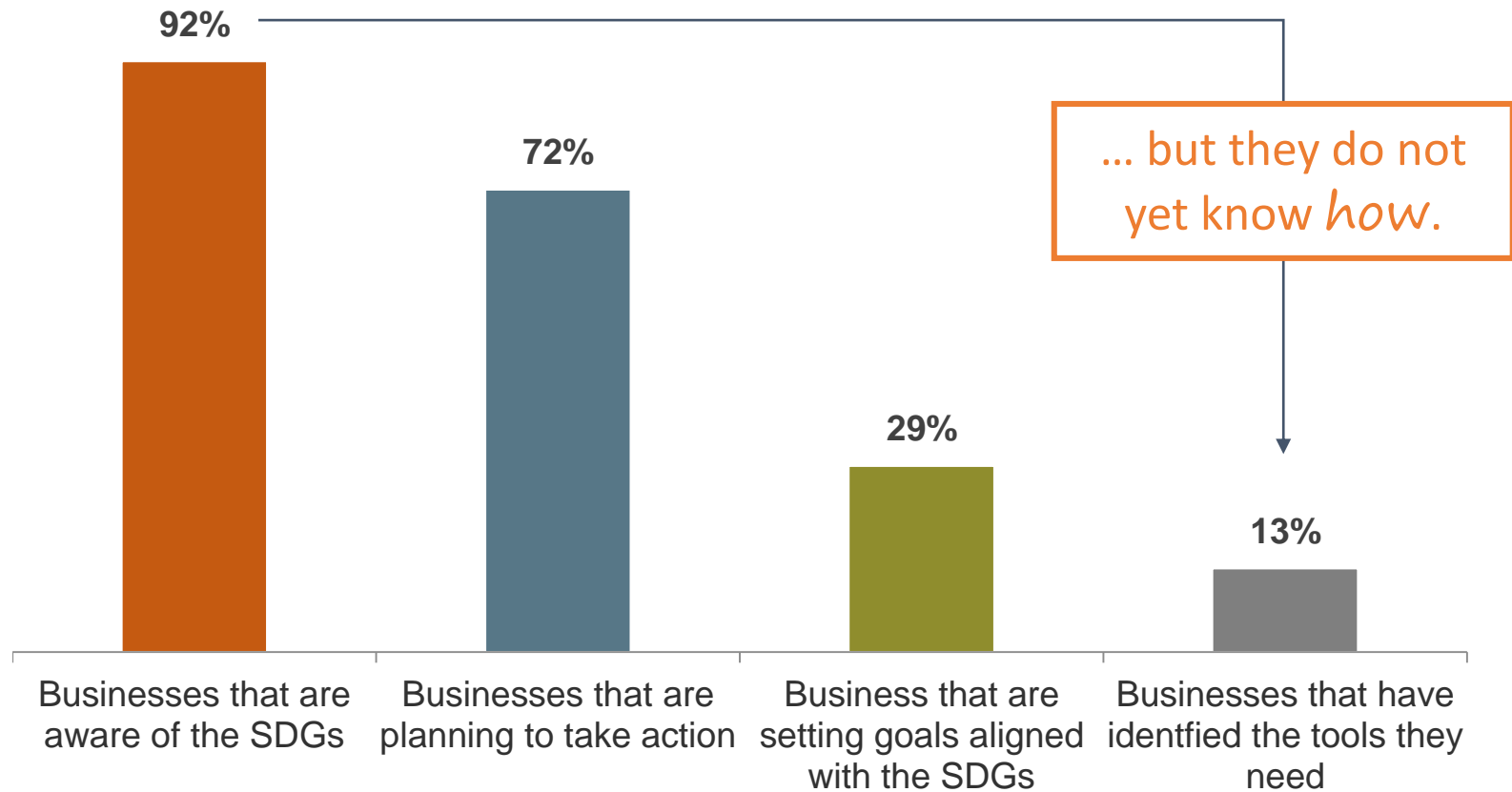
Private sector accounts for  
in developing countries



- Governments cannot achieve the SDGs alone
- US\$ 5-7 trillion is needed annually globally and there is a gap of US\$ 2.5 trillion in developing countries alone
- Private sector's **innovation, creativity, technological expertise and investment** will be essential for success
- Private sector also needs public sector, e.g., enabling environment and incentives for inclusive and sustainable business, skills development and retention of talent etc.

# Private Sector and the SDGs

Most businesses are aware of the SDGs and a majority are planning to engage...



Incentives for the private sector:

**Markets**

BOP consumer market US\$ 5 trillion

**Competitive edge**

55% of online consumers surveyed from 60 countries would pay more for products and services provided by companies which are committed to positive social and environmental impact.

**Governments are making sustainability and inclusion a priority**

E.g., G20 countries (80% of the world economy), endorsed an Inclusive Business Framework encouraging governments to support and create incentives for business activities which help the poor.

**Financing is increasingly favoring sustainable investments**

E.g., the world’s biggest sovereign wealth fund is divesting from energy companies which derive more than 30% of revenues from coal or do not comply with their ethical guidelines.

**Reputation and values**

Companies representing over 90% of the market share of palm oil have committed to removing deforestation from their supply chains by 2020.

**Employee motivation –**

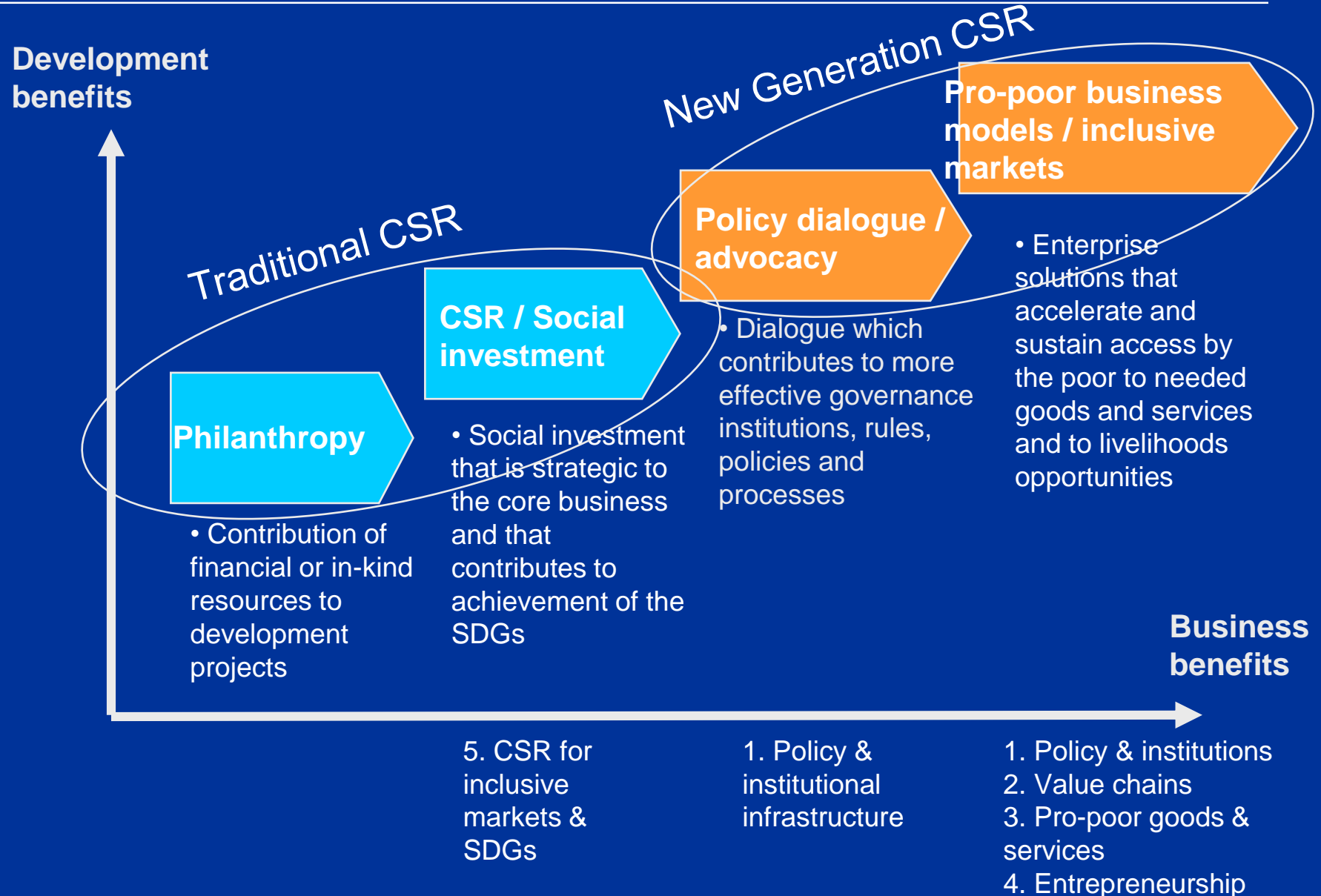
62% of the millennials surveyed in the UK reported wanting to work for a company that makes a positive impact; half preferred purposeful work to a high salary; and 53% would work harder if they were making a difference to others.

# Role of the Private Sector to Achieve the SDGs

Businesses may engage with the SDGs through several channels, but inclusive business offers the greatest opportunity

- 1 *Contribute resources* that focus on the SDGs
- 2 *Reclassify existing* CSR and corporate *activities* using an SDG Framework
- 3 *Form communities* to align actors around the SDGs
- 4 *Engage in inclusive business* with a focus on commercial operations and the potential for scale

# Evidence is emerging that core business assets need to be deployed in order to achieve core business objectives while including the poor



# The SDGs and Inclusive Business

Inclusive business enables companies to engage in a unique and powerful way

## What is inclusive business?

Inclusive businesses provide goods, services, and livelihoods **on a commercially viable basis**, to people living at the base of the economic pyramid (BOP), **making them part of the value chain of companies' core business** as suppliers, distributors, retailers, or customers "

*G20 Inclusive Business Framework*



*...provide goods, services, and livelihoods...*



*...people living at the BOP...  
(less than ~8 USD / day)*



*...commercially viable...*



*...part of the...core business...*



*...at scale or scalable...*

# Business Call to Action (BCtA)

- Multilateral alliance, launched at the UN in 2008
- Challenges companies to advance core business activities that are inclusive of poor populations and contribute to the achievement of SDGs
- Worldwide, over 140 member companies commit to:
  - Provide access to financial services for over 3 million people
  - Promote improved health outcomes for 113 million people
  - Enhance access to energy for 67 million low-income households
- BCtA members are market leaders and innovators who improve productivity, sustainable earnings and empowerment among the poor, while recognize that inclusive business:



# SDGs and Inclusive Business Toolkit



Informing and inspiring business leaders to pursue inclusive business in support of the SDGs

## SDG and Inclusive Business Introduction

Users can navigate the toolkit to:

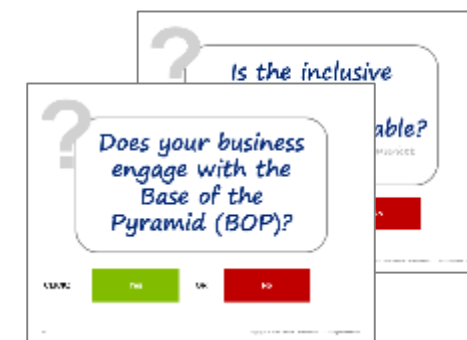
- Understand the significance of the SDGs
- Explore the opportunity in inclusive business
- Register and download the full report



## Inclusive Business Maturity Diagnostic

Users can take the Diagnostic to:

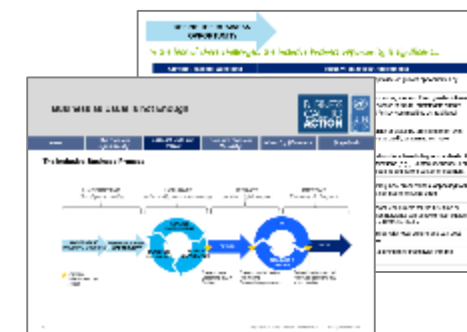
- Determine the maturity of the company's inclusive business model
- Recognize applicable next steps in the company's journey toward a sustainable, inclusive business



## Inclusive Business Process

Users can explore the process to:

- Understand how to design, launch, or grow an inclusive business model in the context of the SDGs
- Examine recommendations customized to the company based on its maturity level
- Access additional resources



# Pacific Financial Inclusion Programme (PFIP)

## Example

- **Partnerships include:**
- **works with profit making FSPs to develop innovative financial products that target underserved mass market segments**
  - Digital financial services – Westpac (Fiji – electronic welfare payment, ANZ (SOI), BSP (SOI)
  - Mobile/branchless banking – ANZ (SOI) , HFC (FIJI)
  - Mobile Wallets – Vodafone (FIJI), Digicel (FIJI, TON,VAN,SAM)
  - Women micro loans – SPBD (SOI)
  - Micro Insurance expansion – BIMA (PNG), LICI (FIJI)
  - Informal Sector pension – FNPF (FIJI), SINPF (SOI)
  - Coconut value chain financing – ANZ (SOI)
  - Clean Energy – MiBank (PNG), SPBD (SOI – solar energy loans)
  - Remittances – KlickEx (TON, FIJI, SAM)
- **Cumulative outreach till March, 2016 – 1,041,373 clients**
- **Every US\$1 PFIP funds leveraged US\$2.15 private sector funding**

**Thank you**

# **National Development Strategy and Sustainable Development Goals Integration**

Engaging the Private Sector in the SDGs

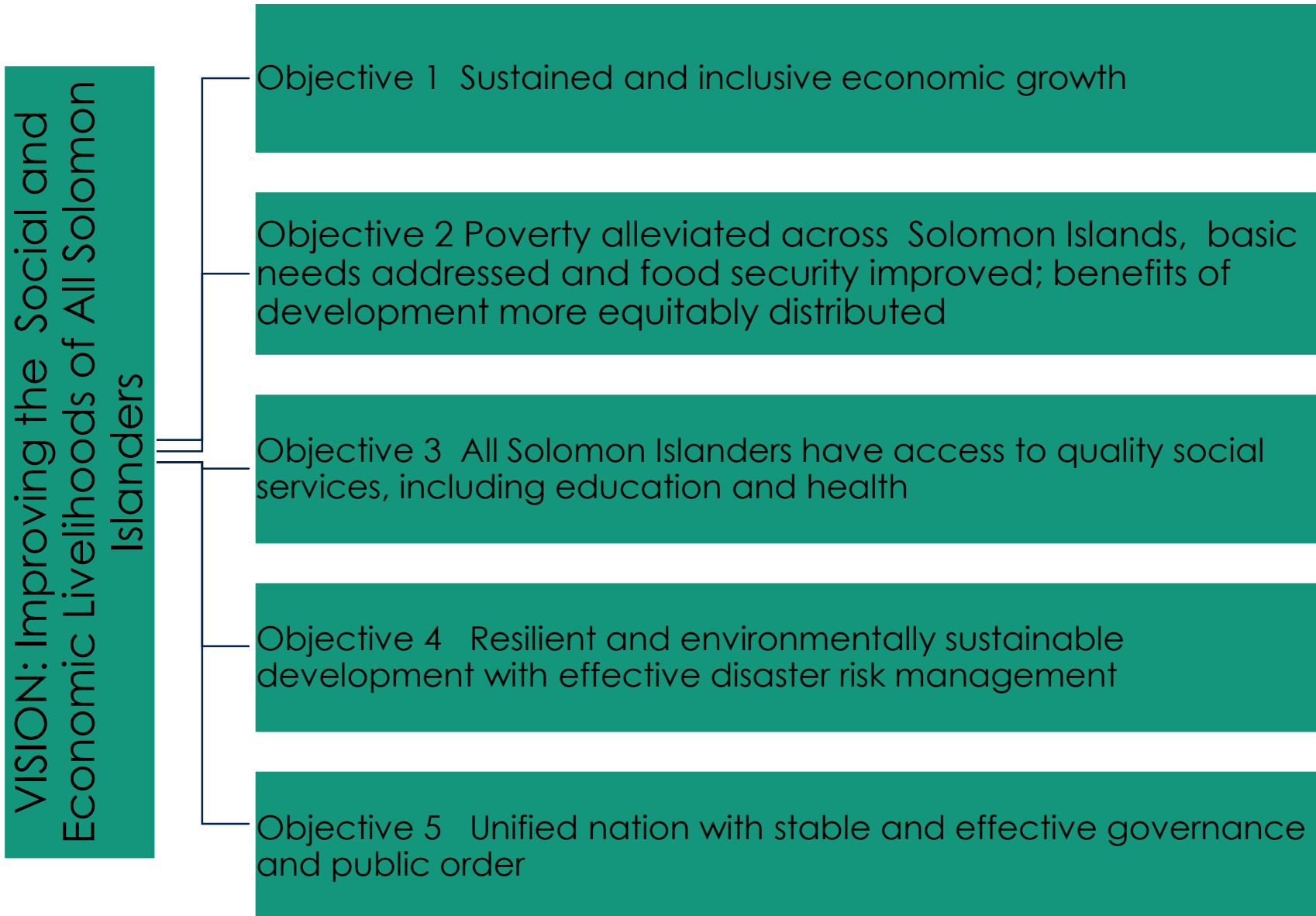
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8<sup>th</sup> September 2017

# National Development Strategy

The DCC Government NDS 20yrs plan:-

- SIG Policy prioritised the need to establish a longer term development strategy that facilitates development in key sectors towards improving livelihood of all Solomon Islanders.
- MDPAC was given responsibility to coordinate preparation of the 20 years NDS.
- A long term and visionary strategy that maps out a strategic direction for the future development of Solomon Islands and presents long term visions, objectives and reflects the aspirations of all Solomon Islanders.
- To provide a clear longer term planning framework that integrates collective planning for achieving development.

# NATIONAL DEVELOPMENT OBJECTIVES



# NDS PRIORITIES INTEGRATION TO SDGS PRIORITIES

NDS Objectives	Medium Term Strategies (MTS)	SDGs
<b>NDS Objective 1: sustained and inclusive growth</b>	MTS 1: Increase economic growth MTS 2: Private Sector Dev. & Investments MTS 3: Build Physical Infrastructure/utilities MTS 4: Land reform & economic Development	SDG 8: Good jobs and economic growth SDG 9: Innovation and Infrastructure
<b>NDS Objective 2: Poverty alleviated across the whole of Solomon Islands, basic needs addressed and food security improved; benefits of development more equitably distributed</b>	MTS 5: Alleviate poverty, basic needs & Food security  MTS 6: Increase Employment Opportunities  MTS 7: Support disadvantaged/vulnerables	SDG 1: No Poverty SDG 2: No hunger SDG 5: Gender equality SDG 6: Clean water and sanitation SDG 7: Renewable Energy SDG 10: Reduced inequalities

# NDS PRIORITIES INTEGRATION TO SDGS PRIORITIES

NDS Objectives	Medium Term Strategies (MTS)	SDGs
<b>NDS Objective 3:</b> <b>All Solomon Islanders have access to quality social services including education and health</b>	MTS 8: Access Quality Health  MTS 9: Access Quality Education	SDG 3: Good health SDG 4: Quality Education
<b>NDS Objective 4:</b> <b>Resilient and environmentally sustainable development with effective disaster risk management.</b>	MTS 10: Improve Disaster risk management & mitigation  MTS 11: Sustainable Environment & Climate Change	SDG 13: Climate Action SDG 14: Life below water SDG 15: Life on land
<b>NDS Objective 5:</b> <b>Unified nation with stable and effective governance and public order</b>	MTS 12: Good Public Service MTS 13: Reduce Corruption MTS 14: Unity, Stability, Governance MTS 15: Law & Order	SDG 16: Peace and Justice

# Prioritization & Tailoring of the SDGs to National Context

- UNDP supports to MDPAC to Map out SDG Goals and Indicators to National and Sector Policies, Strategies & Plans- Completed;
- Sectoral Approach - Sectors Policies and Plans reviewed, established national baseline data relevant for reporting on NDS & SDG implementation
- Determine SDGs/ National Priorities alignment and Gap Analysis
- Identify Gaps and provide recommendation for greater synergy between SDGs and National Priorities.
- Prioritise relevant SDGs for implementation in consultation with all relevant national stakeholders
- Establish clear targets and indicators for SDG/ NDS implementation in consultation with relevant national stakeholders
- Tailor the SDG Targets & Indicators to attune to national/ sector context.
- The updated Baseline data and targets and indicators further condensed into the revised NDS M & E Framework. This will ensure that Reporting from sectors simultaneously serves the NDS performance reporting and SDGs

# STAKEHOLDERS FEEDBACK ON SDGs

- A greater need for socializing of the SDGs at all levels - Communicating and Raising Awareness (Internal & External)
- Tailoring SDGs to national, sub-national & local contexts
- Creating horizontal policy coherence (breaking the silos)
- Creating vertical policy coherence (global, regional, national, sub-national)
- Budgeting for future
- Monitoring, reporting & accountability
- Assessing risks & fostering adaptability
- Most ministries and agencies and individuals consulted have no detail knowledge on SDGs
- Some questions raised on SDGs include, what form? What process?
- A greater role of MDPAC in coordinating SDGs implementation.

\*Multi-stakeholder approach is essential in decision making, implementation, M&E and reporting. (whole of Government approach, Civil Society, Private Sector and communities need to be informed and included in the process)

**Thank you**