



# FINANCING FOR SDGs

## Breaking the Bottlenecks of Investment from Policy to Impact

### FOUR KEY STEPS TO BOOST FINANCING FOR THE SDGS

#### 1. BEST PRACTICE AND CURRENT INITIATIVES - PROVIDING LEADERSHIP

1. [Batumi Initiative on Green Economy \(BIG-E\)](#)

The Pan-European Strategic Framework for Greening the Economy guides the transition to an inclusive green economy that will bring investment in innovation, foster the transfer of green technology and products, and stimulate sustainable consumer behavior. The Framework proposes a vision, objectives and focus areas supporting the 2030 Agenda for Sustainable Development. Some examples can be found [here](#).

2. [The EU Investment Plan for Europe, or “Juncker Plan”](#)

The Plan has three objectives: to remove obstacles to investment and increase investment rates in Europe; to provide visibility and technical assistance to investment projects; and to make smarter use of financial resources.

3. [Food and Agriculture Organization of United Nations](#)

FAO is committed to strengthen the strategic multi-stakeholder alliance, around the thematic area of youth in the rural economy, which advocates, ensures policy convergence, stimulates innovative thinking and mobilizes resources for more and better investments in rural youth employment.

4. [Institute for Economics and Peace: Global Peace Index](#)

The Index presents data on the impact of peace and political stability on economic performance. Peacefulness is correlated with strong performance on a number of macroeconomic variables, including foreign direct investment, which is more than twice as high in highly peaceful countries than in less peaceful ones.

5. [OECD/DAC Blended Finance Principles](#)

The Blended Finance Principles for Unlocking Commercial Finance for the SDGs give a clear definition and provide a five-point checklist to ensure blended finance meets accepted quality standards and achieves impact.

6. [OECD Policy Framework for Investment](#)

The Framework aims to mobilize private investment in support economic growth and sustainable development. It proposes guidance in twelve policy fields critically important for improving the quality of a country’s enabling environment for investment.

7. [OECD Responsible Business Conduct](#)

The OECD Guidelines for Multinational Enterprises are recommendations addressed by governments to multinational enterprises operating in or from adhering countries. They provide non-binding principles and standards for responsible business conduct in a global context. Accompanying the Guidelines is implementation guidance for due diligence by sector.

8. [Pacific Region Infrastructure Facility \(PRIF\)](#)

PRIF is a multi-agency coordination mechanism aimed at improving the delivery of development assistance from donors and development partners to the infrastructure sector in the Pacific region. PRIF supports infrastructure development and maintenance in twelve Pacific Island Countries (PICs) through investment coordination, research and technical assistance; provides a framework for better engagement of countries and development partners.

9. [Peace-Nexus Foundation](#)

The Foundation engages with governments, communities and companies to facilitate a dialogue on how business development can create benefit and support ongoing peace processes. It has also created an investment fund, which employs financial tools to incentivize peacebuilding.

10. [Platform for agricultural risk management](#)

PARM has the global mandate to contribute to sustainable agricultural growth, boost rural investment, reduce food insecurity, and improve resilience to climate and market shocks of poor rural households through a better management of risks. The PARM process is a demand-driven participatory policy engagement process comprised of four main phases: (1) Setting up; (2) Risk Assessment; (3) Tools Assessment; (4) Follow-up Implementation.

11. [The Principles for Responsible Investment \(PRI\)](#)

The PRI is the world's leading proponent of responsible investment. It works to support its international network of investor signatories incorporate environmental, social and corporate governance factors into their investment and ownership decisions.

12. [The Renewable Nations Institute](#)

The Institute is a Commitment to: (1) provide an integrated set of Enabling Actions in Energy Planning and Policies, and in Capacity Building and Knowledge Sharing; (2) establish a United States Partnership for Sustainable Development to stimulate \$200 billion investment in EERE projects through 2030; and (3) develop a technical assistance and human capacity building services center (Project Incubator) to support the development of investment-grade proposals for targeted countries of the SEforALL Initiative.

13. [Sustainable Future Eco Landmarks \(SFEL\)](#)

Sustainable Future Eco Landmarks Global is an investment initiative with the disruptive approach & some elements of SD. One of the most important 'industries' of post-industrial era are taken into consideration: drastic energy alternative management; waste management; decentralized governance, administration and

management model; modern societal priorities serious involvement, generally a different way of thinking in all levels Some examples can be found [here](#).

14. [The Sustainable Development Goals Center for Africa](#)

The purpose of the Center is to provide technical support, neutral advice and expertise as input to national governments, private sector, civil society, academic institutions to accelerate the implementation of the SDG agenda across Africa. Some key relevant private sector practices, lessons and initiatives towards SDG financing can be found [here](#).

15. [The Sustainable Development Investment Partnership \(SDIP\)](#)

A platform of public, private and philanthropic entities with shared ambitions to scale the use of blended finance in sustainable investments in developing countries. The initial focus of SDIP is on sustainable infrastructure investments, given their importance to closing the overall financing gap to the SDGs.

16. [The Sustainable Stock Exchange \(SSE\) Initiative](#)

The SSE initiative aims to achieve sustainable and transparent capital markets worldwide. It invites stock exchanges to make a voluntary public commitment to promote improved environmental, social and corporate governance disclosure and performance among listed companies.

17. [UNCTAD Action Plan for Investing in the SDGs](#)

UNCTAD's Action Plan proposes a strategic framework for private investment in the SDGs. The Plan addresses key policy challenges and sets out a common set of principles to resolve the policy dilemmas inherent in seeking greater private sector participation in SDG sectors.

18. [UNCTAD Investment Policy Framework for Sustainable Development](#)

The Framework contains a set of core principles for investment policymaking that serve as design criteria for three areas of action: (1) national investment policies; (2) international investment agreements (IIAs); (3) the promotion of investment in SDG sectors.

19. [UNISDR Risk reduction and SDG financing](#)

Disaster risk, including climate risk, is increasing world-wide and making new investments, especially in infrastructure, requires risk-informed decisions. Tailored disaster risk reduction financing instruments are needed to turn disaster risk reduction strategies into action, and to create a risk-informed approach to sustainable development. Some examples can be found [here](#).

20. [The United Nations Global Compact](#)

The Global Compact encourages businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UN Global Compact is a principle-based framework for businesses, covering ten principles on human rights, labor, the environment and anti-corruption.

## 2. BEST PRACTICE AND CURRENT INITIATIVES - MOBILIZING INVESTMENT

### 1. [AVIVA Sustainable Finance Toolkit](#)

The €300 trillion global capital markets should be mobilized and refocused on sustainable and long-term goals. This toolkit aims to help create the right incentivizing policy environment so that financial markets can support Europe's transition to a sustainable economy.

### 2. [The Bill and Melinda Gates Foundation](#)

We work with partners worldwide to tackle critical problems in five program areas: (1) infectious disease and child mortality; (2) the delivery of health products and services; (3) market-based innovations to stimulate inclusive and sustainable economic growth; (4) U.S. high school and post-secondary education; (5) strategic relationships and policies.

### 3. [Conservation Finance Product Development](#)

Credit Suisse believes that market-based financing mechanisms from the private sector have great potential for nature conservation. In 2014, we launched our first investment product in this field, called the Nature Conservation Notes. This new product consists of investments in sustainable agroforestry and ecosystem conservation, and in a portfolio of sustainable bonds.

### 4. [The Danish SDG Investment Fund](#)

Six Danish pension funds, under the management of IFU, have established the Danish SDG Investment Fund. It contributes to the SDGs through commercial private sector investments in developing countries, as well promoting the sale of Danish technology and know-how and, at the same time, ensuring a solid return for investors.

### 5. [Dutch SDG Investing \(SDGI\) Agenda](#)

The Agenda is an incubating initiative with the ultimate goal of establishing "highways for SDG Investing" – at home and abroad. The signatories to the Agenda include 18 Dutch financial institutions and three enabling networks.

### 6. [The European Investment Bank \(EIB\) Economic Resilience Initiative](#)

The initiative aims to mobilize finance to support the capacity of economies in the southern Mediterranean and Western Balkans to respond to crises and shocks, such as the migrant crisis, while maintaining strong growth. It boosts economic resilience in these regions by investing in infrastructure, developing the private sector and stimulating growth and job creation.

### 7. [The European Investment Bank \(EIB\) Climate Awareness Bonds](#)

In 2007, the EIB issued the world's first Green Bond, labelled a Climate Awareness Bond (CAB). As of 31 December 2016, EIB remains the largest issuer of Green Bonds with over EUR 15bn raised across 11 currencies. The funds are earmarked to match disbursements to EIB lending projects contributing to climate action in the fields of renewable energy and energy efficiency.

8. [Government of Sweden: Innovative Examples of Financing for Development](#)  
A compilation of examples from different sectors of Swedish society. The showcase also aims to engage stakeholders and promote a more action-oriented dialogue in various national and international forums.
9. [The Move Humanity Initiative](#)  
Move humanity is a global initiative to end extreme poverty, founded by Human Act in 2016 in Copenhagen, Denmark. Move humanity wants to mobilize a significant increase in private development assistance from the world's wealthiest individuals.
10. [OECD Centre on Green Finance and Investment](#)  
The Centre helps catalyze and support the transition to a green, low-emissions and climate-resilient economy through the development of effective policies, institutions and instruments for green finance and investment.
11. [S&P Global Trucost SDG Evaluation Tool](#)  
The Tool helps companies to identify business risks and opportunities aligned with the SDGs. It provides a quantitative analysis of corporate performance on the SDGs across the value chain, from raw material inputs to product use and disposal, within the context of a company's geographic operations. Some examples can be found here [S&P Global Trucost SDG Evaluation Tool](#)
12. [World Bank-BNP Paribas SDG Bonds](#)  
World Bank-issued bonds that link returns to the performance of companies included in the Solactive SDG World Index that are advancing the SDGs; proceeds are used to support the financing of World Bank projects that are aligned with the SDGs.
13. [Yes Bank](#)  
The bank is India's fourth largest private sector bank. It believes that financial institutions serve as catalysts for a sustainable economy and has helped develop the Indian climate finance market, as well as [aligning its operations with the SDGs](#). Since inception, the bank has striven to be a part of India's growth story and has adopted a strategic approach to sustainability, under its visionary leadership.

### 3. BEST PRACTICE AND CURRENT INITIATIVES - CHANNELING INVESTMENT

1. [The Dubai Green Fund](#)

Dubai Electricity and Water Authority (DEWA) launched a plan to develop a AED100 billion (\$27 billion) Dubai Green Fund to provide financial tools for investors in clean energy and support the transition of the UAE to a green economy.

2. [Government of Seychelles Blue Bond](#)

The bond developed from a \$20 million World Bank package to finance the transition to sustainable management of the government of Seychelles' small-scale artisanal fisheries, including efforts to rebuild fish stocks, harvest control measures, restructure fishing capacity, and facilitate post-harvest and scientific services.

3. [Global Wastewater Initiative \(GW2I\)](#)

The Initiative is envisaged to prompt synchronized action, and encourage new investments in wastewater management that will bring a paradigm shift in world water politics, not only to prevent further damage due to poor wastewater management but to emphasize that wastewater is a resource whose effective management is essential for future water security, and to take action to transform the existence of wastewater from a problem to an opportunity.

4. [HSBC SDG Bond](#)

HSBC launched the world's first corporate SDG bond. The issue aims to raise \$1 billion to support projects that offer broad social, economic and environmental benefits aligned with seven SDG targets.

5. [ICRC Humanitarian Impact Bond](#)

The world's first humanitarian impact bond to build and run three new physical rehabilitation centers in Nigeria, Mali, and DRC over a five-year period. Outcome Funders include the governments of Belgium, Switzerland, Italy, UK, and la Caixa Foundation.

6. [Inclusive and Equitable Local Development \(IELD\)](#)

The Inclusive and Equitable Local Development (IELD) is a joint UNCDF, UNDP, and UN Women global initiative that addresses structural impediments women face including lack of adequate infrastructure and access to services and markets, which exacerbate gender gaps and prevent women from participating fully and equally in the economy. The programme addresses the barriers through local public and private investments, with a particular emphasis on unlocking domestic capital for women's economic empowerment and entrepreneurship. Some examples can be found [here](#).

7. [Pandemic Emergency Financing Facility](#)

The mechanism developed by the World Bank Group in collaboration with WHO, Japan, Germany, and private sector partners, provides more than \$500 million to cover developing countries against the risk of pandemic outbreaks over the next five years.

8. [SDG Compass](#)

An inventory of existing business indicators mapped against the SDGs, which allows companies to explore commonly used indicators and other relevant indicators that may be useful when measuring and reporting on contributions to the SDGs.

9. [Sustainable Development Investment Portfolio \(SDIP\)](#)

The Sustainable Development Investment Portfolio (SDIP) is a portfolio investment approach by the Australian Government's Department of Foreign Affairs and Trade (DFAT), which aims to address the issues of water, food, and energy security in South Asia through better regional cooperation, policy reforms, technology transfer and capacity building targeting the poorest and most vulnerable, particularly women and girls.

10. [Uktrisht Impact Bond](#)

The world's first health impact bond developed by USAID, Merck for Mothers, UBS Optimus Foundation, PSI, Palladium, and HLFPPPT; it aims to reach up to 600,000 pregnant women with improved care during delivery and save the lives of up to 10,000 women and newborns over five years.

11. [UNCTAD Global Action Menu for Investment Facilitation](#)

Investment facilitation is the set of policies and actions that make it easier for investors to establish and expand their investments and conduct their day-to-day business. The Global Action Menu proposes measures to support investment facilitation at the national and international levels in low income countries.

12. [WACA Resilience Investment Project \(WACA ResIP\)](#)

WACA ResIP is a multi-country regional project that will support the strengthening of resilience of coastal communities and assets in six western African countries Benin, Cote d'Ivoire, Mauritania, So Tom and Principe, Senegal, and Togo. The WACA Program<sup>24</sup> was created in response to countries request for solutions and finance to help save the social and economic assets of coastal areas and coastal erosion and flooding in particular.

13. [The Water Finance Facility](#)

The Facility mobilizes large-scale private investment from domestic institutional investors, such as pension funds, insurance companies and other qualified investors. It issues local currency bonds in that support national priority actions on water and sanitation service delivery.

## 4. BEST PRACTICE AND CURRENT INITIATIVES - MAXIMIZING INVESTMENT IMPACT

1. [The Africa Infrastructure Fellowship Programme \(AIFP\)](#)  
Meridiam, The World Economic Forum and the Global Infrastructure Hub (GI Hub) launched a new partnership to help governments build infrastructure procurement capabilities within their civil services. The AIFP aims to bring together governments and the private sector to support public sector infrastructure professionals.
2. [Business for the Planet \(B4P\)](#)  
B4P is an investment management firm that designs financial impact investments that help to end poverty. B4P has identified a segment of US institutional investors that are interested and smart enough to create both social impact and generate a financial return.
3. [Colombia's plastic bag tax](#)  
In July 2017, the Colombian Government introduced a tax on single-use plastic bags. The objective of this legislation is to encourage consumers to use reusable bags, thus drastically curbing marine litter, which is mostly plastic waste, and one of the biggest threats to the oceans.
4. [DeepMind](#)  
Artificial intelligence offers the greatest opportunity in generations to advance social justice, and reduce human suffering. If society can create the right structures and incentives for technology development, artificial intelligence can help achieve the SDGs.
5. [Give Me 5 Campaign](#)  
A Global Grassroots Campaign that aims to create awareness, and advocacy for the prioritization of Sustainable Development. Specifically, this initiative seeks to route public and private investments towards the implementation of the SDGs. The aim: to create pressure on global leaders to prioritize Sustainable Development.
6. [The Global Covenant of Mayors](#)  
The Global Covenant of Mayors for Climate & Energy is an international alliance of cities and local governments with a shared long-term vision of promoting and supporting voluntary action to combat climate change and move to a low emission, resilient society.
7. [Ocean Unite](#)  
Ocean Unite is an expert group of leaders, thinkers, and strategists that aims to drive positive change for people and the planet. It supports key global events, builds and creates new business relationships, engages a growing global audience, and disrupts the status quo when necessary.
8. [The OECD Social Impact Investment Initiative](#)  
The initiative proposes global standards to enable the collection of internationally comparable data, as well as case-studies of actual transactions. The aim is to document the variety of approaches, instruments, practices and policy issues in developed and developing countries.

9. [Poverty-Environment Action](#)

Poverty-Environment Action builds on the deep experience of the UNDP-UN Environment Poverty-Environment Initiative. The new focus of Poverty-Environment Action is aligning finance and investment with poverty, environment and climate objectives to accelerate SDG implementation.

10. [Poverty-Environment Action for Sustainable Development Goals](#)

Poverty-Environment Action builds on the deep experience of the UNDP-UN Environment Poverty-Environment Initiative. Over the past decade, the Initiative has pioneered integrated approaches to mainstreaming poverty-environment linkages in national development planning and implementation processes and now as a model for implementation of the 2030 Agenda and the Sustainable Development Goals. The new focus of Poverty-Environment Action is aligning finance and investment with poverty, environment and climate objectives to accelerate SDG implementation [here](#).

11. [The UNDP Impact Investment Summit](#)

Impact Investment has the potential to help overcome development challenges while targeting the financial bottom line. The Summit brought together key stakeholders from the impact investment ecosystem with governments and international development organizations.

*NB. The inclusion of non-UN initiatives and organisations on this page does not imply an official endorsement or position of the United Nations. The examples of best practice are included for their relevance to investment in the SDGs.*