

## VI. Accelerating Impact on the SDGs



One of the most critical levers to achieve the SDGs is innovation. A confluence of innovation, solutions, entrepreneurs, and capital can deliver breakthroughs to overcome seemingly intractable challenges, creating a knock-on confidence that encourages the targeting of other challenges. Climate change is one such area where solutions in progress aim to address one of the greatest long-term threats facing the planet. In addition, the UN is also championing other critical enabling initiatives which can enable progress across the goals. Beyond these initiatives, Force for Good has identified six breakthroughs requiring multi-stakeholder execution at scale, with a potentially meaningful impact on the world's ability to meet the goals.

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### 1. Significant barriers to successfully funding the SDGs

The widening gap to fund the SDGs highlights the fact that existing strategies focusing on significant but essentially incremental change have been inadequate and are likely to fail to meet the goals. Funding, and meeting the SDGs therefore requires a far more radical, yet feasible, approach than any envisaged thus far.

Five key challenges need to be addressed to scale and speed execution:

1. **The Global Stakeholder Alignment Challenge.** Ensuring that the trillions of dollars needed for the SDGs are efficiently deployed where needed will require a coordinated investment framework of a scale equal to that of the Paris Agreement (which secured 193 signatories) and a degree of coordination equal to the one applied to the current Russian sanction regime. This will be more complex since it requires public and private sector participants to agree.

2. **Event Risk and Crises Challenge.** The funding plan for the SDGs needs to be independent of event risks and a clear protocol needs to be in place for the recurring crises that are part of the flow of world events, thereby avoiding the risk of the latest crisis derailing progress on the long-term plan, as we are seeing today as governments face inflation, supply, security, and domestic political risks.

3. **The Sufficient Returns Challenge.** To attract funds, solving the SDGs must deliver a return that satisfies the ultimate owners of the funds, in the case of individuals it may be their pensions are at stake, for governments it may be tax revenues, and for corporations it may be returns on these investment and shareholder returns. There is insufficient development finance institutional capital and insufficient philanthropy available, at US\$11 trillion and US\$3 trillion respectively, to leverage private funds at scale by de-risking. Unless the SDGs are an opportunity for competitive returns as defined by the various stakeholders in capitalism, rather than as a problem or “cause”, they will not be funded.

*The growing SDG funding gap of US\$11.4-15.0 trillion through 2030 highlights the fact that existing strategies focused on significant but essentially incremental change are on track to fail to meet the goals*

*Unless the SDGs are an opportunity for competitive returns as defined by the various stakeholders in capitalism, rather than as a problem or “cause”, they will not be funded*

4. **The ESG Risk Challenge.** The global increase in ESG standards and policies risks further limiting private investment into developing regions with significant SDG funding needs due to their often-poor performance on governance related indicators, for example, with respect to government effectiveness, transparency, or corruption.

5. **The Impact Delivery Challenge.** Selecting the best interventions to meet each goal can be challenging, with their impact varying based on local geographic, political, social, and economic considerations. Further, the most effective actions that drive progress on individual SDGs will often be at the expense of other goals, e.g., the most effective models of rapid economic growth (SDG8) have historically driven environmental degradation (SDGs 13, 14, and 15).

These are highly significant barriers to success and explain why the SDGs have not been sufficiently funded to date. Success requires these fundamental challenges to be overcome.

## Requirement-Set for Funding

Several key requirements are self-evident:

1. **Existential risks need the highest priority,** clearly, and these are climate change and biodiversity.
2. **Addressing Human or social risks is a pre-condition for success of environmental risks,** no matter how extreme the latter is, and must be addressed or people suffering will thwart progress.
3. **Radical solutions in scale and substance are essential** in the second half of the 15-year SDG completion window, a 'Space Race' for the planet approach.
4. **Existing solutions need to be rolled out at scale** rather than waiting for radical breakthroughs.
5. **Making sufficient profits to meet the needs of owners of capital** is a requirement for funding to flow at the scale needed.
6. **Address mandates and conflicts of interests for boards** and executive management to align fiduciary and regulatory duties and stakeholder ones.
7. **Impact in waves is required such that the easiest impact is executed first** and the most difficult is left for last rather than holding up the whole program for the perfect solution.
8. **Enabling solutions should be implemented first** to provide the platform to unlock multiple barriers and serve to support making an impact across multiple areas should be implemented quickly.
9. **Alignment of global stakeholders of sufficient critical mass is required** to achieve success and both COVID-19 and the response of leading international to Russia's war on Ukraine demonstrate the ability to innovate, align and take unprecedented measures.

10. Systemic changes that account better for impact, profit and loss are required to be made to create a more complete and rational system of rewards for capital owners.

## 2. A blueprint for delivering the SDGs

The agenda that emerges from the requirement set is as follows:

### A Blueprint for Delivering the SDGs

Key Challenges	Summary	Key SDGs Impacted
<b>One Core Focus Area</b>		
<b>Climate Change</b>	Global action plan to decrease global carbon pollution by 45% from 2010 levels by 2030, achieving Net Zero by 2050, and limiting global temperature increases to 1.5c or less by 2100	
<b>Four UN Priority Transitions</b>		
<b>Renewable Energy</b>	Ensure access to affordable, reliable, sustainable and modern energy for all	
<b>Food Systems</b>	Transform global food systems to provide sufficient and nutritious food for all in a sustainable and resilient manner	
<b>Digital Connectivity</b>	Enable global connectivity and the equitable use of digital public goods, while ensuring data privacy and safeguarding human rights in digital spaces	 
<b>Human Capital Investment</b>	Accelerate more and better investments in people for greater equity and economic growth aligned with digital economic transformation	 
<b>Six Breakthroughs Initiatives</b>		
<b>Affordable Housing</b>	Make a significant difference to affordable housing as the basis of human dignity across the world demonstrating that it can be funded at scale, make an impact and deliver a return	 
<b>Mass Education</b>	Deliver education solutions to children in a model that is global, affordable, scalable, distributable, and local, demonstrating the feasibility of using technology to compensate for the bottleneck in building enough schools and training enough teachers	
<b>Mass Financial Inclusion</b>	Drive mass financial inclusion across the world by sharing a stack of solutions that has proven its ability to deliver ground-breaking sustainable and inclusive development	
<b>Technology and Individual Impacts</b>	Enable the provision of technologies, including products, services and platforms, that provide individuals with the means to make a positive impact on the SDGs and broader human security	 
<b>Biodiversity</b>	Make an impact on biodiversity through a few targeted solutions which with scale can make a transformative impact on biodiversity and can be funded for global impact	 
<b>Impact Externalities</b>	Drive a systemic change to returns, asset pricing and reporting to reflect the full economic, environmental, and social costs and benefits, of economic actions, influencing decision making in allocating capital	
<b>One Fundamental Enabler</b>		
<b>Peace and Partnerships</b>	Ultimately the achievement of even only one of the SDGs depends on the absence of conflict and strife, with stakeholders working together against a common agenda.	 

### 3. Climate change

“We left COP26 in Glasgow with a naïve optimism, based on new promises and commitments. But the main problem — the enormous, growing emissions gap — was all but ignored. The science is clear: to keep the 1.5°C limit agreed in Paris within reach, we need to cut global emissions by 45 per cent this decade.”

*UN General Secretary Antonio Guterres, 4 April 2022*

Historically, the majority of global SDG funding has been applied to “Planet” related goals, specifically to climate change (SDG 13) and the energy transition (SDG 7). This focus on climate related goals is unsurprising given that climate change has not only risks for business, but also a far-reaching impact on the global eco- and socioeconomic systems, directly threatening humankind’s living environment and sustainable social and economic development. However, the current execution against climate related goals, most comprehensively encapsulated in the Paris Agreement, lags far behind targets, and at current rates of CO2 emissions, the world will exhaust its total carbon budget for the Net Zero transition by 2034.

The Paris Agreement Goals	The Current Reality
Reducing CO2 emissions by 45% from their 2010 levels by 2030	Increasing CO2 emissions by 13% by 2030 based on current commitments
Net Zero by 2050	Only 40% of the world’s GDP committed to 2050 Net Zero <sup>i</sup>
Limiting global warming to 1.5c by 2100	Global warming on track to rise by 3.0c

#### The Current Solution Stack

- **Renewable energy.** Renewable and zero carbon alternative energy source including wind, solar, PV, geothermal, tidal, and green hydrogen, among others
- **Industrial decarbonization.** Development of low-carbon technologies and infrastructure in materials, construction, industrial processes, transport, and manufacturing
- **Energy efficiency.** Technology to decrease the energy intensity of industrial processes and infrastructure, and improvement of energy transmission networks
- **Electrification.** Electrification of key energy consuming processes like heating, transportation, and manufacturing
- **Fossil fuel phase out.** Reduction and phase out of existing fossil fuel energy sources, including via lower emission transition sources like natural gas

- **Carbon sequestration and removal.** Technologies to remove atmospheric CO2 via both industrial processes and nature-based solutions
- **Adaptation and resilience.** Investments in resilient systems and infrastructure to withstand the inevitable impacts of climate change already underway

The Funding Need Through 2050	The Current Reality
US\$3 trillion of annual spending	US\$632 billion of funding in 2020/21
Rising to US\$4 trillion by 2030	
Reaching \$5-6 trillion from 2040	

### Key Transition Challenges

**Need for Universal Commitments.** While the current national and corporate commitments to Net Zero are significant, they remain insufficient: the US\$130 trillion in assets committed for example represent only c.30% of global assets, while country level commitments to the 2050 Zero target cover less than 50% of global emissions (with four of the world’s top emitters responsible for over 40% of global emissions having made 2060, 2070 or no commitments at all to date).<sup>ii</sup>

**Lack of Direct Funding.** While the US\$130 trillion of global assets committed to net zero, mainly under the GFANZ umbrella, are in theory more than sufficient to finance the energy transition,<sup>iii</sup> this capital is not designed to directly fund the energy transition, as opposed to indirectly doing so by cleaning up equity and debt investment portfolios.

**Transition Pathways Lack Coordination.** Further, there are several challenges with members’ published reduction commitments to date, including CO2 reduction targets below the Paris benchmark, inconsistent use of reference level dates and incomplete benchmarking data with which to measure reductions, and incomplete emissions reporting (with most managers excluding scope 3 emissions).

**Political and Fiduciary Risks.** Investment managers also need to manage the risk of holding stranded assets, potential breaches of fiduciary duties, near term performance implications, and political pressures, including accusations of acting in concert with other risk being accused of running a “climate cartel” to the detriment of investors.<sup>iv</sup>

### Shift Needed from Transition Solutions to Breakthrough Technologies

Given the significant barriers to the world’s countries and investors moving in lockstep to Net Zero by 2050 in terms of investment and the adoption of new technologies, the world will also need to invest heavily into technological breakthroughs that can compensate for

the insufficient progress being made by the laggards, in addition to scaling and refining the current state of the art technologies.

### Current Solutions to Scale

Energy efficiency, reducing energy intensity across transportation, buildings, and industry,

Clean energy provision, shifting primary energy production to zero carbon emissions through renewables and/or biofuels, and

Clean energy use, creating the infrastructure to use electric energy and/or hydrogen across homes, transportation, and industry.

### Breakthroughs to Achieve

An alternative to renewables that is safe, abundant, carbon free and reliable (fusion energy being the most likely candidate currently)

Climate engineering using geo-engineering (reflecting solar radiation back to space to limit or reverse temperature increases is a controversial solution)

Carbon capture and sequestration technologies at scale that remove atmospheric carbon and GHG at scale.

## 4. Four UN transitions to enable the SDGs

“The multiple crises we are experiencing are a wake-up call for the much needed often absent solidarity, adding that to turn crises into an opportunity ... the key lies in the required transitions in renewable energy, food systems and digital connectivity – and in investment in human capital, financing the opportunities.”

*UN Deputy Secretary-General Amina Mohammed, 5<sup>th</sup> July 2022*

In its endeavor to accelerate progress on the SDGs, the UN has spoken of enabling changes of a systemic nature. These levers for change have the potential to fundamentally shift the scenario and enable multiple SDGs to be addressed affecting both human and environmental development across its 193 members states for the achievement of the goals. They would particularly impact developing countries which lack the energy, food, digital and human assets needed to progress.

The UN has identified four key transitions that are designed to help less- and least-developed countries transition to a more inclusive and sustainable model and are critical for the world to meet some of the most challenging SDG.

### i. Renewable Energy

“The only sustainable future is a renewable one. We must end fossil fuel pollution and accelerate the renewable energy transition before we incinerate our only home.”

*UN Secretary General Antonio Guterres, 18 May 2022*

## The Goal and Key 2030 Targets<sup>v</sup>

Ensure access to affordable, reliable, sustainable, and modern energy for all by

- **Providing universal access** to affordable, reliable, and modern energy services
- **Increasing substantially the share of renewable energy** in the global energy mix
- Double the global rate of improvement in energy efficiency (energy intensity measured in terms of primary energy and GDP)
- **Enhancing international financial flows** to developing countries in support of clean energy research and development and renewable energy production, including in hybrid systems
- **Increasing installed renewable energy-generating capacity** in developing countries (in watts per capita)

### ii. Food Systems

“Through sustainable food production systems, it is possible to feed a growing global population while protecting our planet...Food systems are a priority area for transformative investments, that can lead the transitions that we need to make”

*UN Deputy Secretary-General Amina Mohammed, 28 Jul 2021*

## The Goal and Key 2030 Targets<sup>vi</sup>

Transform global food systems to provide sufficient and nutritious food for all in a sustainable and resilient manner, by

- **Ending hunger** and ensure access to safe, nutritious, and sufficient food all year round
- **Ending all forms of malnutrition** across the world
- **Doubling the agricultural productivity** and incomes of small-scale food producers
- **Ensuring the proper functioning of food commodity markets** to help limit extreme food price volatility
- **Ensuring sustainable food production systems** and implement resilient agricultural practices that increase productivity and production

### iii. Digital Connectivity

“Over one third of humanity still has no access to the internet; this divide reinforces social, economic and gender divides. [The] task is to map out a new action plan to bring the nearly 3 billion unconnected people into the global digital community.”

*UN Secretary General Antonio Guterres, 7 Jun 2022*

### The Goal and Key 2030 Targets<sup>vii</sup>

Enable global connectivity and the equitable use of digital public goods, while ensuring data privacy and safeguarding human rights in digital spaces, by

- **Providing reliable and affordable high-speed internet** access to the three billion people who remain unconnected
- **Ensuring sufficient and equitable access to digital public goods**, including software, data, content, and standards

## iv. Human Capital Investment

“More effective spending and investment in human capital is needed to unlock and accelerate progress on the SDGs”

*UN Deputy Secretary General Amina Mohammed, 9 Mar 2022*

### The Goal and Key 2030 Targets<sup>viii</sup>

Accelerate more and better investments into people for greater equity and economic growth, by

- **Ensuring education for all girls and boys** that is free, equitable and quality primary and secondary education
- **Ensuring equal access for all women and men** to affordable and quality technical, vocational, and tertiary education
- **Achieving full and productive employment** and decent work for all women and men
- **Achieving universal health coverage**, including access to quality essential health-care services and access to safe, effective, quality, and affordable essential medicines and vaccines for all

## 5. Six breakthrough initiatives

The SDGs have faced challenges, as outlined above, which seem fundamental and intractable and as a result capital has not flowed at the scale required. Analysis of the SDGs shows that if the 17 SDGs are prioritized using three criteria: firstly, current underservice (goals facing a current lack of funding), secondly, pivotal nature (generating a positive multiplier effect for achieving other goals) and thirdly, achievability (existing solutions that can be adapted for delivery), six key focus areas emerge, which if successful would have a meaningful impact on the world meeting the SDGs:

- I. **Affordable Housing** needs to ultimately solve for the 2.4 billion new urban inhabitants by 2050, providing the home as a basis of dignity
- II. **Mass Education** needs to ultimately include the 260m kids out of school to enable them to access opportunity

- III. **Mass Financial Inclusion** needs to solve for the 67% of the world's under-banked or totally left out, recognizing their right to the path to prosperity
- IV. **The Individual and Impact** needs to use technology to impact and empower the world's c.8bn individuals as a force for good
- V. **Biodiversity** needs to protect, restore, and promote the sustainable use of terrestrial and ocean ecosystems
- VI. **Impact Externalities** needs to change decision making to consider the whole system by pricing positive and negative externalities into financial statements to fundamentally change the view of return on investments

The aim is to realize gains from high impact projects for these six areas identifying executable solutions with the potential to have a meaningful global impact. The approach is to take leverageable solutions and to apply them to the focus area in one geography at scale to address a material proportion of the issue there, demonstrating success and enabling the solution to be applied to other geographies. The partners include subject matter experts, public and private sector stakeholders, solution providers, financing experts and potential sources of funding.

*Notice of interest: Force for Good is leading in initiatives in each of these six areas, working with partners in a multi-stakeholder approach to make an impact.*

Each of the six initiatives recognizes that every SDG is complex, multidimensional, and varied across regional and cultural contexts, with no one size fits all solution. Accordingly, the breakthrough initiatives focus on 'making a significant dent' into them, creating momentum for other solutions that meet unaddressed needs to be deployed in their wake.

Please see Appendix 2 for more details on the development and execution processes for the six initiatives.

## i. Affordable Housing: Foundation of Dignity



**Objective:** Make a significant difference to affordable housing as the basis of human dignity across the world demonstrating that it can be funded at scale, make an impact, and deliver a return

### The Need

- 1 billion people globally live in informal housing or slums
- 2 billion people lack waste collection services
- 3 billion people lack access to waste disposal facilities
- c.50% of the world's urban population lack convenient access to urban transport and c.30% to green spaces

### Major SDGs Impacted



Access to decent, low-cost housing can increase disposable incomes, prevent material deprivation, and improve work incentives. Homeownership also represents the primary way for households to build wealth



Substandard housing with mold, rodents and pests can trigger or cause chronic respiratory conditions, while overcrowding poses a risk to the health and physical well-being of families and their neighbors and facilitates the spread of infectious diseases



High quality affordable housing facilitates the development of clean water and sanitation with water and waste-water supply systems in deprived urban and rural areas



The provision of adequate, safe, and affordable housing is critical to the development of inclusive, sustainable, and resilient urban environments

### Core Challenges

- **Availability of Land.** Significant affordable housing demand in mega-cities with high urban density and limited land
- **Lack of Affordability.** Housing price increases have outstripped earnings growth across almost all major global cities, driving unaffordability
- **Development Scale.** Scale of challenge requires mass development solutions
- **Existing Policies Counterproductive.** A significant portion of government policies to drive home ownership drive demand without addressing supply, creating further price increases

## Transformation

Set up a platform and/or enable existing ones to fund affordable housing in a for-profit impact model that proves feasibility, delivers to stakeholders, scales in a test country, and can be rolled out internationally with government and private sector finance partners

### Key Elements of the Solution

-  **For-Profit and Impact Credit Platform.** Funding affordable housing for low-income and lower-middle income populations.
-  **Funding Through Banks and Housing Finance Companies.** Lending to leading banks and housing finance providing affordable home loans
-  **International Capital Attraction.** Pooling of international capital through generation of market rate returns
-  **Credit Enhancement Strategies.** Country- and macro-risk managed through credit enhancement strategies
-  **Risk Diversification and Scalability.** Use of pooling vehicles for loan diversification and rapid deployment
-  **Global Potential.** Initial launch in high potential country with global scale potential

### Execution Plan

- Develop a blueprint for funding affordable*** housing at scale with private sector capital, beginning with one country as a pilot
- Engage with an identified set of stakeholders*** (including local lenders, government sponsors, and international capital providers) to launch this platform in first test country
- Agree conditions for capital deployment and impact maximization***, including ESG-focused underwriting, covenants, monitoring, and reporting.
- Secure a first fund vehicle funded by private sector, and public sector capital*** for further capital deployment.
- Expand model and vehicles to other developing markets*** at scale

## ii. Mass Education: Route to Opportunity



**Objective:** Deliver education solutions to children in a model that is global, affordable, scalable, distributable, and local, demonstrating the feasibility of using technology to compensate for the bottleneck in building enough schools and training enough teachers

### The Need

c.260 million children were out of school in 2018

600 million children lack basic literacy and mathematics skills

825 million young people will not have the basic skills to compete for jobs of 2030 (based on current trends)

33% of schools in least developed countries have electricity

c.50% of schools have access to drinking water

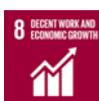
### Major SDGs Impacted



Mass education is crucial for imparting knowledge to children that they need to effectively function as members of society, providing skills and knowledge allowing people to contribute to their communities



Education is a significant factor in reducing poverty. Educated people earn 10 percent more for every year they attend school. If everyone in school left school at basic reading levels, 171 million people could rise out of poverty.



Education is critical for overall economic growth, driving overall productivity, facilitating the transfer of knowledge, and increasing the creativity to create new knowledge, products, and technologies

### Core Challenges

- **Basic School Infrastructure Far from Universal.** Many schools lack adequate physical infrastructure creating safe, inclusive environments that nurture learning
- **Insufficient Technology Skills and Access.** Lack of access to and a lack of usage skill for IT limit the impact of online and digital learning opportunities
- **Urban/Rural and High/Low Income Divides.** Significant disparities in school quality within countries based on regional and sociodemographic divides.
- **Lack of Qualified Teachers.** Global shortfall of qualified teaching staff, with nearly 70 million additional teachers required to meet the SDGs based

- **Gender Disparities.** Less than half the world's countries have achieved gender parity in primary education, and less than quarter in upper secondary education

## Transformation

Work with non-government organizations, academia, businesses, and financiers to identify mass education solutions that can be rolled out globally, cost-effectively, quickly, and at scale

### Key Elements of the Solution



**Network Infrastructure for Connectivity.** Need to ensure robust high bandwidth connectivity to ensure access to online learning resources



**Hardware for Affordable End-user Devices.** Need for low-cost computing/communication devices, preferably with open-source o/s supporting a large developer community



**Software to Enrich Online Learning.** Rich software and applications offering to maximize learning, leveraging all advantage provided by online environments



**Enhanced Content to Provide Critical Skills.** Development of additional curricula to provide competitive skills alongside literacy and numeracy



**Reinforced Learning through Communities and Civil Organizations.** Empowering civil society and individuals to reinforce learning by driving changes in habits and behaviors

### Execution Plan



*Engage leading multinational organizations* (e.g., UNICEF) and NGOs (e.g., World Academy of Arts and Sciences) to determine the world's greatest education challenges



*Identify leading providers of education and EdTech solutions* and development outreach plan/timetable



*Secure participation by leading EdTech companies to deliver on solutions* to education challenges identified



*Agree the development plan for a small set of breakthrough education solutions for roll-out with commercial funding potential, engaging private sector banks*



*Agree the participating countries for the first wave of roll-out*

### iii. Financial Inclusion: Path to Prosperity



**Objective: Drive mass financial inclusion across the world by sharing a stack of solutions that has proven its ability to deliver ground-breaking sustainable and inclusive development**

#### The Need

c.70% of the world's population is not adequately financially included, 1.7 billion people globally remain unbanked  
55% of world's unbanked are women, 10% gender gap up to 40% in some countries, 21% less likely to own a mobile phone  
<50% of the of adult population in low- and middle-income countries have active bank accounts

#### Major SDGs Impacted



Services such as savings allow families to better absorb financial shocks, smooth consumption, accumulate assets and investment in human capital such as education and health, helping people to climb out of poverty.



Access to financial services allows people to gain higher returns on capital, increasing incomes and driving economic growth, mobilizing savings for productive ventures



By providing a foundation for equitable growth and improving the lives of the poor financial inclusion helps reduce inequalities



Access to financial services drives business formation and growth by financing investments, with increasing small- and medium enterprises leading to job growth

#### Core Challenges

- **Inadequate Banking Infrastructure.** Banking infrastructure with branch networks in the least developed regions is often poor, providing challenges for inclusion
- **Lack of Formal Identification Options.** Disadvantaged, poor, and rural people often lack the formal identification documents required to open bank accounts and for formal transactions
- **Usage Frequency and Transaction Size.** Financial institutions need to offer products and services relevant to customers to encourage usage and transaction capability and avoid the dormant account phenomenon common in many countries
- **Financial (Ill-)literacy.** Financial literacy among the unbanked is often low, providing a barrier to practical inclusion

- **Consumer Protection.** Greater financial inclusion increases the need for effective legal and regulatory frameworks to protect low-income consumers

## Transformation

Agree on and facilitate a knowledge and solutions transfer from a donor country that possesses the necessary stack of digital technologies to countries need banking services for the poor in a 'whole system' approach that outline the criteria for mass inclusion

### Key Elements of the Solution



**Tech Stack with Core Benefits for Delivery to the Poor.** India is a candidate given it has embarked on an ambitious digital financial inclusion initiative, creating a technology stack bringing more than 400 million people into the financial sector.



**Demonstrated Benefits Beyond Financial Inclusion to Wider Social Protection.** The system needs to enable the government to address inequality, corruption and inefficiency while encouraging financial inclusion, fintech development and a platform for broader participation among the poor



**Solution Broadly Applicable in the World.** Solution provider can help other governments drive mass financial inclusion by sharing its "stack" of innovations, and the lessons learned with nations worldwide, particularly in "south-to-south" transfers to South Asia, Africa, the Middle East, and South America



**Sharing Mechanism in Conjunction with UN.** Provider would share through the UN as a 'Force for Good' and draw on its technology services, where Indian companies are leaders and have the related expertise to help others implement.

### Execution Plan



*Develop blueprint of engagement strategy* to share stake with other countries



*Engage with key stakeholders with leading digital inclusion programs* to catalyze initiative to take these global, India being one



*Secure participation of global transnational institutions such as the UN*



*Secure private sector participation* by technology and banking partners



*Establish a joint team to agree on the details of the proposal* and to draft an outline protocol



*Communicate and create a pipeline to roll-out,* the idea to the world

## iv. Technology and Individual Impact: Enable Empowerment



**Objective:** Enable the provision of technologies, including products, services, and platforms, and allow individuals to make a positive impact on the SDGs and human security more broadly

### The Need

c.65% of the world's net assets are owned by individuals, making them the ultimate allocators of over US\$250 trillion in net liquid assets

78% of global consumption by households, US\$49 trillion annually

3.5 billion people live in democracies, giving them the power to drive national and global policy

Acting collectively the individual is a powerful force for direct action

### Major SDGs Impacted



Promotes the transfer of environmentally sound and sustainable technologies to individuals across the world, including to developing



Information and communications technology serves as a support structure for all of the 17 SDGs, helping bring about their advancement, particularly with regards to the universal coverage of basic services.

### Core Challenges

- **Awareness.** There is a need to build further awareness and consensus on the need to act across all parts of society to advance the goals that meet their societies' values
- **Education.** Further education about the SDGs is also required, to provide a greater understanding of the goals, as well as the potential actions that can be taken to further them, in order to drive informed decision making
- **Affordability.** Sustainability options made available to individuals need to be affordable in terms of potential economic and financial trade-offs, particularly in the low-income countries with minimal disposable income.
- **Access.** Consumers require tools and services that facilitate positive contributions to the SDGs beyond the local reach of direct action
- **Coordination.** Individuals need to be able to coordinate their choices to maximize scale and impact

## Transformation

Work with technology associations and companies, along with human security and SDG specialists to identify technologies with a potentially transformative impact on the SDGs and the individual, particularly on individuals' ability to impact the SDGs as a force for good, enhancing human security for all

### Elements of the Solution



**Leveraging Technology** to translate actions into impact, and coordinate collective engagement to overcome geographic boundaries



**Collaboration with the Consumer Technology Association** and/or other industry groups to identify breakthrough technologies for empowerment



**Development of Awards Program for 'SDG Contributors'**, to identify and promote technologies with transformative impact potential

### Execution Plan



*Identify target areas for impact, including responsible consumption, citizenship, and SDG participation*



*Partner with the 'Human Security for All' project* launched by the World Academy of Art and Science (WAAS)



*Engage with the Human Security program, and partners such as Consumer Technology Association (CTA) to progress the identification of technology*



*Select the most compelling technologies that can create breakthroughs* centered around the individual and the ability to enhance human security and contribute to the SDGs



*Engage selected technologies for roll-out and scaling as appropriate for rapid adoption of the technologies*

## v. Biodiversity: Symbiotic Co-Existence



**Objective: Make an impact on biodiversity through targeted solutions which when scaled can make a transformative impact on biodiversity and can be funded for global impact**

### The Need

75% of the Earth's surface altered by human activity

22% of the 8,300 known animal species are at risk of extinction

1.5 billion people affected by land degradation

10% of total human emissions from deforestation

### Major SDGs Impacted



Biodiversity has a critical impact on climate change, with healthy ecosystems fulfilling a variety of climate regulating roles, including carbon capture and sequestration as well as weather and precipitation regulation



The oceans represent over 99% of habitable space, contain an estimated 50-80% of life, and generate approximately 50% of the oxygen on this planet



Forests are home to more than 80% of all terrestrial species of animals, plants, and insects, with c.1.6bn people directly depending on forests for their livelihood.

### Core Challenges

- **Economic Value of Biodiversity Not Accurately Allocated.** The value of biodiversity includes a range of monetary and non-monetary ecosystem services that have traditionally not be quantified sufficiently
- **Knowledge and Education.** Education is essential for the sustainable and equitable use of biodiversity and its conservation
- **Underinvestment Due to Lack of Commercial Opportunities.** There is a lack of business models for the sustainable use of biodiversity, leading to underinvestment, although interest in nature-based solutions is rising
- **Conservation Accountability.** Misalignment of incentives and accountability for conservation actions by both communities and economic actors

## Transformation

Work with conservation organizations and financiers to promote and protect biodiversity globally, backed by the required funding

### Key Elements of the Solution



**Creation of Incentives to Prevent Habitat Loss:** Stopping deforestation through the creation of financial mechanisms and incentives promoting conservation



**Development and Adoption of New Practices:** (including) Nature-based solutions for agriculture, forestry, or wastewater management



**Technology Innovations:** (Including) Geodata mapping and sensors for real time monitoring in support of precision agriculture, biotech for the development sustainable agri-alternatives for food and other consumables (as an alternative to plastics)



**Scaling of Existing Solutions:** Integrating technology and practices at scale (e.g., hydro-, aqua- and aeroponics)



**Social Innovation:** Empowering civil society and individuals to drive changes in habits and behaviors

### Execution Plan



*Engage with experts to identify potentially game changing solutions* to preserve global biodiversity.



*Map out the key solution(s)* that if fully deployed, could have the largest impact on biodiversity globally



*Develop funding options for solutions* including (i) philanthropy-based opportunities (ii) semi-commercial opportunities (e.g., blended finance models), and (iii) standalone private sector investment opportunities

## vi. Pricing Externalities: Whole Systems Decisions



**Objective:** Drive a systemic change to returns, asset pricing and reporting to reflect the full economic, environmental, and social cost of economic actions over both the short and long term, influencing decision making in capital allocation

### The Need

**US\$29 trillion** – Projected total annual environmental costs from global human activity in 2050\*

**US\$25 trillion** - Combined externalities for the energy and transport sectors worldwide

**US\$21 trillion** – Projected external costs for GHG emissions and climate change in 2050\*

**US\$20 trillion** – Total annual externalities of global food production

### Major SDGs Impacted



Positive and negative externalities impact all 17 of the SDGs – accurately pricing these externalities appropriately can change behaviors and redirect the flow of funds in support of the goals

### Core Challenges

- **Proliferation of 'Standards' and Initiatives.** Multiple overlapping and competing standards initiatives create confusion among users and investors
- **Significant Data Gathering Requirement** Existing reporting frameworks demand significant corporate resources to identify, track, and aggregate relevant sustainability information
- **Quantification Without Valuation.** Existing sustainability reporting is focused on aggregation of primary data, rather than the calculation of financial costs and investment return implications
- **Financial and Sustainability Reporting Not Integrated.** Existing sustainability reporting disclosure is not linked to companies' basic financial statements, making it difficult to reconcile the two at the corporate strategy level
- **Insufficient Data Management Capabilities.** Most companies lack the data management systems to capture the information required to calculate all externalities and the returns of sustainable investments



## Transformation

Work with experts on environmental pricing, accounting, and international standards to accurately and consistently price positive and negative externalities on asset values in global capital markets, allowing global capital flows to respond to an accurate reflection of the cost and returns from activities

### Key Elements of the Solution



**Valuation of Major Externalities.** Determination of non-market valuation of ecosystems and other public goods.



**Development of Open Valuation Database.** Creation of open access database capturing valuation outputs and methodologies



**Development of Accounting Methodologies.** Development of accounting rules for integrating the value of public goods into financial statements



**Adoption by Policy Makers and Standard Setters.** Presentation agencies/boards for adoption into (financial) reporting standards

### Execution Plan



***Partner with academia and accounting firms,*** drawing on non-government organizations, industry associations, and multi-national organizations, as needed



***Determine valuation methodologies for key externalities*** that can be applied consistently and globally



***Develop draft accounting rules that incorporate the value of public goods*** in integrated financial statements



***Draft a detailed blueprint for the pricing of externalities,*** including a roadmap and implementation requirements



***Consult other stakeholders to build support*** and incorporate learnings and best practices



***Engage policy makers and standard setters*** regarding potential adoption

## In summary

- Progress on the SDGs has stalled despite the world's stock of capital having risen to c.US\$450 trillion and the GDP to nearly US\$100 trillion
- Climate change has been prioritized and is being pursued with a level of global coordination and commitment that is breaking new ground in the achievement of the SDGs, and the journey ahead will need to find direct funding to address the issues by deploying solutions rapidly on scale, and to 2050 will need breakthroughs in science
- The UN has begun to raise the awareness and focus on four enablers for the SDGs, namely renewable energy, food systems and digital connectivity and investment in human capital
- If the 17 SDGs are prioritized using three criteria: current underservice, pivotal in nature and, achievability six key focus areas emerge, which if successful would have a meaningful impact on the world meeting the SDGs
- In some part of the world there are solutions to almost every human issue and if these can be leveraged, adapted, and shared, a big difference can be made to seemingly intractable problems and this is the principle behind the focus on six breakthrough initiatives identified by Force for Good
- Breaking through on other SDGs requires these to be elevated through their simplicity, for example a focus on themes such as people, planet, prosperity, platform, peace & partnership, in the way that climate change has become an iconic issue of our times for people to align over
- If these a set of issues can be addressed in some meaningful way, others are more likely to be addressed in the same spirit.

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i Source: Net Zero Tracker, IMF

ii China, India, Russia, and Indonesia (commitment currently in discussions)

iii Source; Glasgow Financial Alliance for Net Zero

iv Source: Tom Cotton interview

v Selected list of SDG targets and indicators. For the full list please see <https://sdg-tracker.org>

vi ibid

vii ibid

viii ibid