



## HOW CAN FINANCIAL INSTITUTIONS CONTRIBUTE TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UNSDGs)?



# 1. What are UNSDGs?

In 2015, the UN General Assembly set 17 goals to achieve by 2030, which would be called the UN Sustainable Development Goals (UNSDGs).

Each goal is associated with targets to accomplish by 2030, and indicators to be able to measure progress—culminating into 169 targets and 232 indicators in total. The Goals cover various of sustainability-related domains, including economic development, environmental impact, social enhancement, etc.

Progress on UNSDGs is periodically reporting by certain nations and organizations, as everyone has a role to play in contributing to the achievement of the Goals.



# 2. How can financial institutions contribute to UNSDGs?

Almost every organization, no matter big or small or no matter the sector, has many ways to explore how it may contribute to furthering the UNSDGs. By nature, the 17 goals will differ in relevance depending on the industry; however, for the finance sector, financial institutions can potentially contribute to all 17 Goals.

In fact, it is the financing and investing capabilities of financial institutions that may (and often do) sway the sustainability directions from micro-levels to macro-levels nationwide or even internationally.

## 2. How financial institutions can contribute to UNSDGs? (Contd.)






Below is an illustration of various selected specific actions that financial institutions can implement in order to contribute to the UNSDGs:

UNSDG	How financial institutions can contribute						
 <p><b>1</b> NO POVERTY</p>	<ul style="list-style-type: none"> <li>Directly provide social contribution (i.e. monetary value, nutrition, etc.).</li> <li>Indirectly fight poverty by financing areas that lead to enhanced nation-wide education and employment opportunities.</li> <li>Finance areas that lead to higher food &amp; clean water availability nation-wide</li> </ul>						
 <p><b>2</b> ZERO HUNGER</p>							
 <p><b>6</b> CLEAN WATER AND SANITATION</p>							
 <p><b>3</b> GOOD HEALTH AND WELL-BEING</p>	<ul style="list-style-type: none"> <li>Finance healthcare institutions and other areas that enhance healthcare nation-wide</li> <li>Provide loans to allow affordable access to quality healthcare</li> <li>Directly provide healthcare contribution to beneficiaries</li> </ul>						
 <p><b>4</b> QUALITY EDUCATION</p>	<ul style="list-style-type: none"> <li>Finance educational institutions and other areas that enhance education nation-wide.</li> <li>Provide loans to allow affordable access to quality education</li> <li>Directly provide tuition contribution to beneficiaries (i.e. through contests).</li> </ul>						
 <p><b>5</b> GENDER EQUALITY</p>	<ul style="list-style-type: none"> <li>Directly display fair equality in dealing with own stakeholders (i.e. customers and employees), especially among:               <table border="0" style="margin-left: 20px;"> <tr> <td>*Gender</td> <td>*Nationality</td> <td>*Socioeconomic</td> </tr> <tr> <td>*Age</td> <td>*Disability</td> <td></td> </tr> </table> </li> </ul>	*Gender	*Nationality	*Socioeconomic	*Age	*Disability	
*Gender	*Nationality	*Socioeconomic					
*Age	*Disability						

## 2. How financial institutions can contribute to UNSDGs? (Contd.)

UNSDG	How financial institutions can contribute
 <p><b>10</b> REDUCED INEQUALITIES</p>	<ul style="list-style-type: none"> <li>▪ Integrate equality in hiring practices</li> <li>▪ Indirectly advocate equality by financing projects and providing favorable terms to those displaying equality in dealing with stakeholders (especially customers and employees).</li> <li>▪ Indirectly advocate equality by financing and providing favorable terms to NGOs that fight for elements of equality nation-wide (i.e. disability associations, women empowerment groups, etc.).</li> <li>▪ Avoid financing projects that display or lead to grave inequalities in stakeholder treatment and impact, or provide unfavorable terms compared to others.</li> </ul>
 <p><b>7</b> AFFORDABLE AND CLEAN ENERGY</p>	<ul style="list-style-type: none"> <li>▪ Directly finance renewable energy projects.</li> <li>▪ Indirectly advocate renewable energy by financing projects that display affordable and clean energy use and providing them with favorable terms.</li> <li>▪ Avoid financing projects that use too much conventional energy (or promote the use of fossil fuel energy while diminishing that of clean energy) or provide them with unfavorable terms compared to others.</li> </ul>
 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>	<ul style="list-style-type: none"> <li>▪ Implement sustainability elements in own workplace practices.</li> <li>▪ Finance projects that lead to economic growth nation-wide and provide them with favorable terms (i.e. projects that increase healthy competition).</li> <li>▪ Avoid financing projects that lead to decline in the nation's economic growth or provide them with unfavorable terms compared to others (i.e. unchecked monopolies).</li> </ul>
 <p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<ul style="list-style-type: none"> <li>▪ Directly invest in researching innovative ways to conduct financial activities.</li> <li>▪ Finance projects (while providing favorable terms) that do any of the following: <ul style="list-style-type: none"> <li>*Improve the nation's infrastructure,</li> <li>*Improve nation's industry (i.e. manufacturing, raw resources, etc.).</li> <li>*Lead to innovation (i.e. research &amp; development).</li> </ul> </li> <li>▪ Avoid financing projects that harm the nation's industry, infrastructure, and innovation progress, or provide unfavorable terms compared to others.</li> </ul>
 <p><b>11</b> SUSTAINABLE CITIES AND COMMUNITIES</p>	<ul style="list-style-type: none"> <li>▪ Nationalize elements of own business practices (i.e. local procurement, local employment).</li> <li>▪ Conduct community events, sponsorships, partnerships, awareness initiatives, etc., to engage with the community.</li> <li>▪ Finance and provide favorable terms to projects that show sustainable integration through giving back to the local cities &amp; communities in which they operate.</li> <li>▪ Avoid financing projects that show an unsustainable impact on local cities &amp; communities, or provide unfavorable terms compared to others.</li> </ul>
 <p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<ul style="list-style-type: none"> <li>▪ Track and enact reduction efforts of own consumption of resources in the workplace (i.e. waste management).</li> <li>▪ Use technologies and practices that allow for resource efficiency in own business practices.</li> <li>▪ Finance and provide favorable terms to projects that either display good resource efficiency in their operations, or indirectly contribute to improving resource-efficiency nation-wide.</li> <li>▪ Avoid financing projects that potentially consume and/or product irresponsibly, or provide unfavorable terms compared to others.</li> </ul>

## 2. How financial institutions can contribute to UNSDGs? (Contd.)

UNSDG	How financial institutions can contribute
 <p><b>13</b> CLIMATE ACTION</p>	<ul style="list-style-type: none"> <li>▪ Track and enact reduction efforts of own carbon footprint—measured in scope I, II, III GHG emissions (i.e. reduce fuel consumption from cars &amp; generators, electricity consumption, air travel, etc.)</li> <li>▪ Finance and provide favorable terms to projects that either display good emissions management in their operations, or indirectly lead to favorable emissions savings nation-wide.</li> <li>▪ Avoid financing projects that harm the climate, or provide unfavorable terms compared to others.</li> </ul>
 <p><b>14</b> LIFE BELOW WATER</p>	<ul style="list-style-type: none"> <li>▪ Ensure that own operations do not harm land and water flora and fauna biodiversity (i.e. through improper waste management).</li> <li>▪ Finance and provide favorable terms to projects that display good land and water biodiversity impact, or indirectly lead to favorable water biodiversity nation-wide.</li> <li>▪ Avoid financing projects that harm land and water biodiversity, or provide unfavorable terms compared to others.</li> </ul>
 <p><b>15</b> LIFE ON LAND</p>	
 <p><b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<ul style="list-style-type: none"> <li>▪ Ensure that own operations and stakeholder engagements are done peacefully and justly.</li> <li>▪ Finance and provide favorable terms to projects that promote national or international peace and national justice (i.e. NGO's with noble causes).</li> <li>▪ Avoid financing projects that may deteriorate national or international peace and justice (i.e. weapon manufacturing).</li> </ul>
 <p><b>17</b> PARTNERSHIPS FOR THE GOALS</p>	<ul style="list-style-type: none"> <li>▪ Form own partnerships with other entities (whether inter-industry, intra-industry, or with private or public entities)—with the aim of advocating any of the 17 UNSDGs directly or indirectly.</li> <li>▪ Finance and provide favorable terms to projects that display good partnerships with other entities for the promotion of any of the 17 UNSDGs directly or indirectly.</li> </ul>

Overall, given the range of areas to which financial institutions may contribute to the achievement of the 17 Global Goals, it is clear that the finance industry plays a vital role in enabling nations to realize their targets and commitments in accordance with national and international plans & roadmaps.



## Useful Links

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Sustainable Development Goals:

<https://sustainabledevelopment.un.org/?menu=1300>

High-Level Meeting on Financing the 2030 Agenda for Sustainable Development:

<https://www.un.org/sustainabledevelopment/financing-2030/>

Financing for SDGs:

<https://worldinvestmentforum.unctad.org/financing-for-the-sdgs/>

SDG Industry Matrix: Financial Services:

<https://www.unglobalcompact.org/library/4001>

Financing for Development:

<https://www.un.org/sustainabledevelopment/financing-for-development/>

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