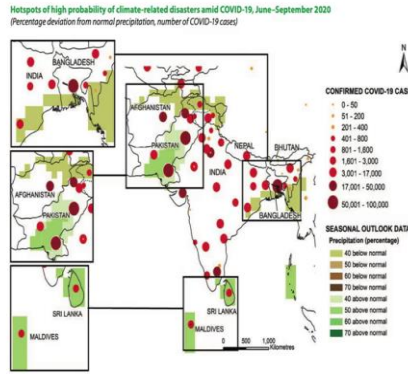


**United Nations Sustainable Development Goals**  
**Professor. Shiva ji**  
**Department of Design and Department of Climate Change**  
**Indian Institute of Technology, Hyderabad**  
**Financing the SDGs and Global Funds**

(Refer Slide Time: 00:12)

**Hotspots of high probability of climate-related disasters amid COVID-19**



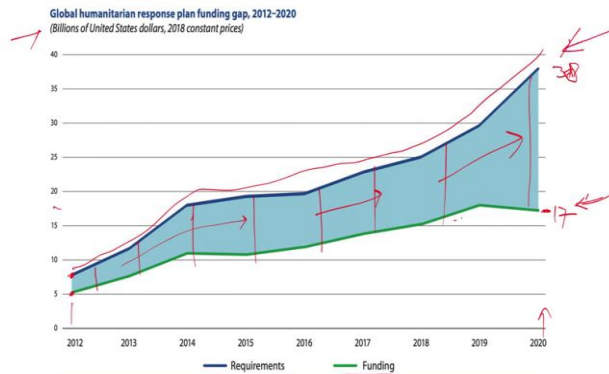
UN SDGs - Module 28 Source: ESCAP (2020). Pinpointing the most vulnerable to cascading risks from climate extremes and the COVID-19 in South Asia. Note: The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations. Dotted line represents approximately the Line of Control in Jammu and Kashmir agreed upon by India and Pakistan. The final status of Jammu and Kashmir has not yet been agreed upon by the parties.



So, next we here, we have hotspots of high probability of climate related disasters summit COVID-19.

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**Global humanitarian response plan funding gap, 2012-20**

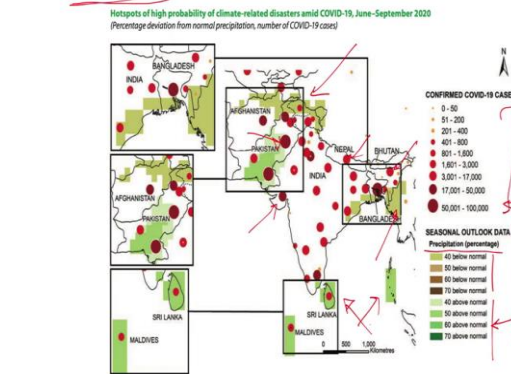


UN SDGs - Module 28 Source: OCHA, "Global Humanitarian Overview 2021," December 2020.

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## Hotspots of high probability of climate-related disasters amid COVID-19



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Source: ESCAP (2020). Pinpointing the most vulnerable to cascading risks from climate extremes and the COVID-19 in South Asia.

Note: The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations. Dotted line represents approximately the Line of Control in Jammu and Kashmir agreed upon by India and Pakistan. The final status of Jammu and Kashmir has not yet been agreed upon by the parties.

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So, we saw like a how this gap is rising and the funding what is needed for the requirement is not matching up and there are this region and this percentage and all that. So, among this if you see like in the South Asian nations, so, what are those regions, which are responsible if we see for the COVID-19. So, some confirm COVID cases you see with the color intensity and the size and then seasonal outlook data, this is a very interesting example taken over here, which talks about the hotspots of high probability of climate related disasters and COVID-19.

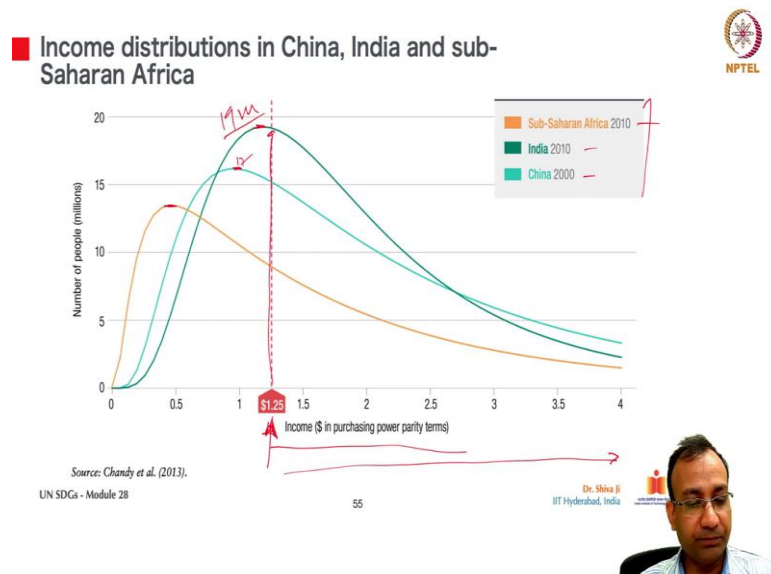
So, it focuses majorly well there are some hotspots in India as well Pakistan, Afghanistan, and Bangladesh, Nepal, Bhutan and Sri Lanka including our neighbor and partly Myanmar also. So, in this portion, if you see these are the regions, at the top India's portion, if you see Gilgit-Baltistan a Leh Ladakh in Jammu Kashmir all of these in like a portion in an Indian jurisdiction.

And on the Mizoram side also if I see and, the look at some portion in the Tamilnadu and some portions here in the Rajasthan. In Pakistan is this Sindhu Nadi, Karachi area and then Afghanistan is the North Eastern a portion and in Myanmar also on this side which is in like our neighboring to our Northeastern states Tripura and Manipur. So, that portion and Andaman Nicobar in this region over here.

In Sri Lanka, if you see is totally united in this green shade which talks about precipitation 60 and above normal. So, these green ones are above normal and these brown ones are below normal. So, in this shade, you can understand and confirmed cases you can understand through this. So, Dhaka is one of the worst affected you can see over here plus here in Pakistan also there are several and in some like a low intensity, we have also spread across

like India, one being here in Guwahati, here in Nepal Katmendo and then Ahmadabad and many of these places, so, this talks about that probability.

(Refer Slide Time: 03:15)



So, overall, if you see like income distributions in India, China and Sub-Saharan Africa these are the worst affected regions across the world. So, the data is from 2010 for Sub-Saharan Africa and India and China this data belongs to year 2000. So, here you can see the number of people in millions. So, income, you can see here like a 1.25 Dollars per day maker, this is the international threshold.

So, these many number of people in millions if you see, India actually tops here, close to I think this will be 15, 8 or 9 around 19 million roughly, this and China it tops around here around 16, 17, 16, 16.5 and then Sub-Saharan Africa around 13, 13 and a half like that. And gradually if you see this the dollars are increasing, this number is actually falling down. So, this is this threshold which needs to be addressed.

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### Financing the future

How international public finance should fund a global social compact to eradicate poverty

**ODI**

**NPTEL**

If we stick to business as usual, we'll fall far short of our development goals in 2030

**500m** people will still be living on less than \$1.25 a day

**Extreme poverty will be even more concentrated in sub-Saharan Africa**

Number of people living in extreme poverty (millions):

**4m** children will die needlessly before the age of five

Low-income fragile states will be left even further behind

But we can avoid this. Aid won't solve the whole problem, but if we can mobilise the money and be smart about spending it, we can help to eradicate global poverty over the next 15 years.

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56



### Financing the Future

We need a new global social compact

- Social protection for the poorest
- Free basic universal healthcare
- Free primary and secondary education for all

What will this cost low income countries per year?

**\$148 billion**

\$73 billion shortfall

Even if they raise taxes and use existing aid, there will still be a shortfall of \$73 billion.

But if governments fulfil their existing aid pledges, we can meet these costs - and still have at least \$40 billion to spare.

We can't afford not to. July's Financing for Development summit should:

- Create or expand global funds for health, education in humanitarian crises, and social protection
- Redirect 50% of foreign aid budgets towards the poorest countries where aid is most needed
- Commit rich countries to giving 0.7% of their national income in aid
- Bring emerging economies into the system as contributors
- Develop smarter, more flexible and long-term ways to provide aid

Read the report at [odi.org](http://odi.org)

#FIF2015

Sources available at [odi.org/financing-future](http://odi.org/financing-future)

UN SDGs - Module 28

57



### Global humanitarian response plan funding gap, 2012-20

(Billions of United States dollars, 2018 constant prices)

Source: OCHA, "Global Humanitarian Overview 2021," December 2020.

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58

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So, now, we will see, some like snapshots about financing the future. So, in this data is taken from the site, this talks about how the international public finance should fund a global social compact, to eradicate poverty. So, the overall goal is to eradicate a poverty and how this can be done. So, some snapshots. If we stick to business as usual we will fall far short of our development goals in 2030. So, that means, we need drastic measures like a major changes.

500 million people will still be living on less than 1.25 dollars a day. 4 million children will die needlessly before the age of 5. So, this is the catastrophe human society is facing. Low income fragile states will be left even further behind, if it is business as usual, but we can avoid this aid would not solve the whole problem, well aid is I think a temporary phenomena it cannot be a permanent solution.

So, the permanent solution must come in like at that place, which is sustainable, no, like a long lasting and all, but if we can mobilize the money and be smart about spending it, we can help to eradicate global poverty over the next 15 years. So, extreme poverty will be even more concentrated in Sub-Saharan Africa that the region like we will have seen earlier number of people living in extreme poverty in millions if you see this here, this yellow color belongs to the Sub-Saharan Africa in the year 2011.

It is close to 400 millions and which is going to increase if you see by 2030. If it is not addressed properly, it is going to go somewhere even like close to 440 million people living in extreme poverty, 1.25 Dollars a day and less than like that range. South Asia, if you see like this region 2011 this used to be in like a much wider over here, close to 400 again, but it is expected that this is going to come down and like drastically and very low this thing, but still this needs to come to 0.

East Asia and Pacific also is registering like a good reduction in this and the rest of the developing world is also like a good, but not much of like this thing improvement, but yes, it is it getting reduced. We need a new global social compact, social protection for the poorest so that it can be given to the most like a needy.

Free basic universal health care, free primary and secondary education for all, so that everybody and anybody has in like access to this like we have discussed in the education in like the SDG earlier like how in a free education is going to help society and how midday meal schemes and several such schemes for the male, female students, health facilities, sanitation, toiletry et cetera, on the school premises has helped students to return to the

schooling. So, there are so much in details if we look at it like a locally, which needs to be addressed for solving this problem.

What will this cost low income countries per year? 148 billion Dollars, but there is a shortfall of 73 billion Dollars. Even if there is taxes and use the existing Aid, there will be still a shortfall of 73 million. So, this is this financing we are talking about over here that it is not enough and needs to be accelerated at a much faster pace, because the gap is widening so this is this logic of, putting all of these in like a slice together, like how, a financing plays an important role in reducing actually this wide, a gap, which is at present is like an increasing.

So, financial ads are crucial, links in this successful implementation of SDGs. But if governments fulfill their existing aid places, we can meet these costs and still have at least 40 billion to spare. So, it is not that it cannot be done, it definitely can be done, but needs to be done with the full willingness. We can not afford not to utilize Financing for Development Summit should one, create or expand global funds for health education in humanitarian crisis and social protection.

Two, redirect 50 percent of foreign aid budgets towards the poorest countries where aid is most needed. Third, commit rich countries to give 0.7 percentage of their national income in aid. Forth bringing emerging economies into the system as contributors. Fifth, develop smarter, more flexible and long term ways to provide it. So, how this aid it can be managed, is given over here how this financing can be structured is (glue is) given over here with these 5 inputs.

(Refer Slide Time: 10:09)

The slide features a header with the United Nations Global Compact logo and the title "FINANCIAL INNOVATION FOR THE SDGs". Below the header is a blue box with the text "INTRODUCTION". The text describes the UN Global Compact's Financial Innovation for the SDGs Action Platform, which brings together a multi-disciplinary group of finance practitioners and experts to develop innovative private financial instruments. It mentions collaboration with the Principles for Responsible Investment (PRI) and the United Nations Environment Programme Finance Initiative (UNEP FI). The goal is to improve the risk/return profile of SDG investments to attract institutional investors.

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58

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Now moving on to the next chapter over here from United Nations Global Compact. So, the next few slides are taken from the source. Here, we are going to disrupt financial innovations for the SDGs. So, what innovations you know can be actually planned can be actually taken up for managing finances for the successful implementation of SDGs? So, then the previous slides we have established why is it crucial and how much is the amount needed, what is the gap and all of those things. Now, let us see how it will be like a done as suggested by UN Global Compact, you can refer a source for more information.

The UN Global compacts financial innovation for the SDGs action platform brings together a multidisciplinary group of finance practitioners and experts to develop innovative private financial instruments that have the potential to direct private finance towards critical Sustainability solutions. This is the mandate it has the potential to direct private finances towards critical Sustainability Solutions.

Led in collaboration with the principles for Responsible Investment PRI, and the United Nations Environmental Program financial initiatives UNEP FI, the platform will develop guidance on impact investment strategies that support the Sustainable Development Goals, map current and emerging financial instruments and provide a laboratory for the development of new innovative instruments. Ultimately, the goal is to improve the risk return profile of SDG investments to attract institutional investors.

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**Goals of the Action Platform**

- Map current and emerging SDG finance instruments, and provide a laboratory for the development of new innovative instruments
- Look for innovations in the four major gap areas for SDG investments: (a) identifying new business and financing models, (b) reducing risk, (c) providing investment scale and (d) matching the risk-return profile of institutional investors
- Involve all relevant actors in the investment value chain – companies, banks, insurance, asset managers, pensions funds (public and corporate)
- Focus on prime SDG sectors – emerging or frontier markets and economic sectors that can contribute most to the SDGs, including health, food, water & sanitation, energy, infrastructure, education, finance and insurance

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59

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So, what are the goals of the action platform over here, we will see this. Map current and emerging SDG finance instruments and provide a laboratory for the development of new innovative instruments. Look for innovations in the four major gap areas for SDG



investments. Identifying new business and financing models, reducing risks providing investment scale and matching the risk return profile of institutional investors. So, if you see we are talking about over here in the first one map current and emerging SDG financing instruments, so, what are those instruments available on our disposal?

Then, looking for innovation in 4 major gap areas. The first one is the identifying new business and financial models second reducing risk, risk you maybe knowing what are the potential risks which may cause and like a turbulence disturbance and breakdowns. Providing investment scale and matching the risk return profile of institutional investors. So, these are the four major gap areas which require innovation in this to deal with.

Third point involve all relevant actors in the investment value chain companies, banks, insurance agencies, asset managers, pension funds, etcetera. So, involving all of these together in this overall net value chain. Finally, fourth point talks about focus on SDG sectors - emerging or frontier markets and economic sectors that can contribute most to the SDGs including health, food, water and sanitation, energy, infrastructure, education, finance and insurance. So, these are the overall goals of this excellent platform.

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**Outcomes**

- Mapping of Financial Innovation**
  - Overview of all financial innovations with a highly visual graph plotting each solution by major gap area, asset class and SDGs, and mapping their potential investment size against the overall SDG financing gap
  - Database of financial innovations, searchable by SDG, asset class or major gap area
  - Standard description and resources. Description of each financial innovation's structure, parties, how it fits in the investment value chain and its potential size in terms of investment and impact. Useful resources, including documents and templates for standardization (e.g. standard contracts)
- Benchmarking and Analytics**
  - Third-party market and financial research on the blended returns of SDG investments
  - Third-party benchmarking (scorecards) of companies' and investments' SDG contribution
- Innovation Lab**
  - Pilot programme for innovative SDG investment products and solutions
  - Annual competition for the most innovative SDG investments
  - A tally of financing committed and deployed -- for each solution and in the aggregate

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FINANCE UNEP INITIATIVE

PRI Principles for Responsible Investment

Well outcomes, mapping of financial innovation benchmarking and analytics and innovation labs. So, 3 major outcomes, so, for mapping, let us see, overview of all financial innovations with a highly visual graph plotting each solution by major gap area, asset class and SDGs and mapping their potential investment size against the overall SDG financing gap.

Then it will be pinpointed quantitative plotting and data, graph which will give you like the real insights. Database of financial innovations searchable by SDG, asset class or standard




description and resources description of each financial innovation structures, parties, how it fits in the investment value chain and its potential size in terms of investment and impact. Useful resources including documents and templates for standardization.

In benchmarking, analytics third party market and financial research on the blended returns of the SDG investments. Third party benchmarking scorecards of companies and investment SEC contribution. So, this will help establishing plus minus and like a zero base and like which we call it as a benchmarking also and from here and onwards you can enter like a plan your implementation and the positivity.

Thirdly, Innovation Lab pilot program for innovative SDG investment products and solutions, annual competition for the most innovative SDG investment, a tally of financing committed and deployed for each solution and in the aggregate. So, these are the outcomes.


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ACTIVITIES		
Phases	Goals	Activities/Meetings
<p><b>1. Consultations</b></p> <p>May – Oct 2017</p>	<ul style="list-style-type: none"> <li>Consultations with major constituencies – corporations, banks, institutional investors</li> <li>Establish landscape of most innovative solutions by asset class and SDGs</li> <li>Highlight gaps in financing</li> <li>Propose concepts of solutions that could be developed</li> </ul>	<ul style="list-style-type: none"> <li>In-person meetings               <ul style="list-style-type: none"> <li>– April: Making Global Goals Local Business, Delhi, April 26-27</li> <li>– July: Briefing - SDG Business Forum (tbc)</li> <li>– July: Roundtable, Pimco HQ (tbc)</li> <li>– September: Roundtables, UNHQ</li> </ul> </li> <li>2-3 virtual meetings</li> <li>Crowd sourcing via online submissions</li> </ul>
<p><b>2. Develop &amp; Test Model Solutions</b></p> <p>Sep 2017 – Aug 2018</p>	<ul style="list-style-type: none"> <li>Develop model solutions and resources among smaller groups of platform members, experts and partners</li> <li>Launch web-based mapping of financial innovation for SDG investments with standards, definitions and practical resources</li> </ul>	<ul style="list-style-type: none"> <li>Working group meetings for each categories of innovations:               <ul style="list-style-type: none"> <li>• Business models</li> <li>• Financial models</li> <li>• De-risking solutions</li> <li>• Scaling solutions</li> <li>• Innovative sources of financing</li> </ul> </li> <li>In-person meetings in key financial centers (China, South Africa), complemented by virtual meetings</li> <li>Review of the work of working group and recommendations by Review Committee for submissions to the web platform</li> </ul>

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61





<b>3. Stimulating &amp; Tracking Uptake</b> Sep-Dec 2018	Introduce mapping and model solutions to major constituencies – corporations, banks, institutional investors  Call for unilateral and collective commitments to invest using the tools  Publicize initial commitments	High-level meetings involving major constituencies – corporations, banks, institutional investors: - Global Compact Leaders Summit –2018 - PRI In-person – 2018 - UNEP FI Round Table – 2018  Open annual competition for the most innovative private SDG finance solution  Promoting the platform with UN members states, development agencies and banks
<b>4. Public Launch &amp; Mainstreaming</b> 2019 –	Promotion, marketing and other activities to maximize the use of the platform  Active curation for new innovation to maintain relevance of the platform over time	Public launch of platform (Davos 2019)  First annual awards for the most innovative SDG investments  Launch auction platform to match users and providers of capital

\* See more information on activities and meetings on the last page.

UN FINANCE  
UNEP INITIATIVE


*feedback* (with a diagram of a cross and arrows)

PRI Principles for Responsible Investment

UN SDGs - Module 28

62

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Well, what activities so, we will see there are another some number activities listed over here. So, for major phases given over here the first one you will see about consultants second develop and test model solutions, third talks about stimulating and tracking updates and then fourth one public launch and mainstreaming.

So, in these phases, if you see the goals are consultations with major constituencies like we have seen corporations banks, institutional investors etcetera, stablishing landscape of most innovative solution by asset class and SDGs highlight gap in financing proposed concept of solution that will be developed. So, this is the important part activities and meetings in this like in person meetings.

And then virtual meetings, crowdsourcing online submissions, etcetera. In the second phase, if you see develop interest model solution, develop model solutions and resources among smaller groups of platform members, experts and partners launch the base mapping on financial innovation for SDG investments with standards definitions and practical resources, working group members fast each categories of innovations business models, financial models, de-risking solutions, scaling solutions, innovative sources of financing.

So, all of it if you see in a business environment you first look for the business model what is that modality on which you are going to establish your whole a financial entity and how you are going to like achieve your goals and targets, even financial goals and targets and what are the benefits earning benefits and in receiving some tangible and intangible even like targets.

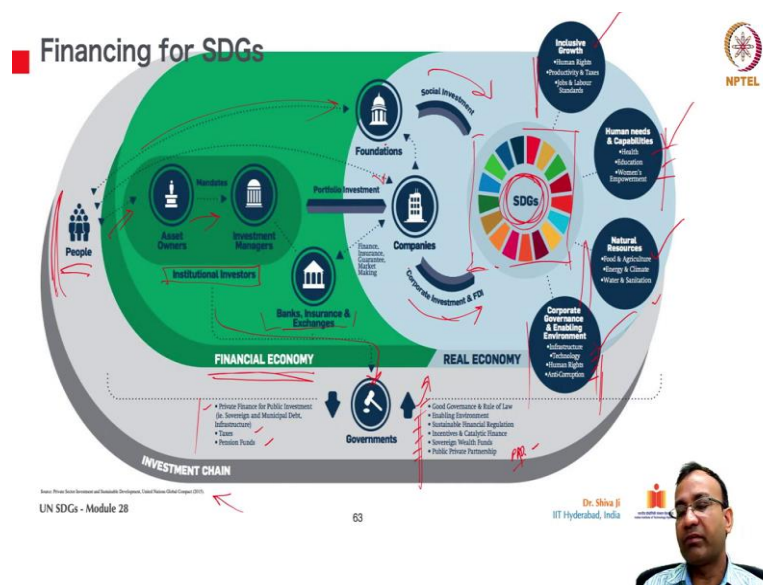
Then developing financial markets models around it a sort of saying operations, maintenance all of those. De-risking solutions, how to minimize the risks and vulnerabilities. Scaling up. So, not just one place multiple places in one implementation plus scaling up the size maybe if

you are able to cater for maybe 1000 people, why not to go and test for 10,000 people, from 10,000 to you go to one lakh people 1 million people and so on. And finally, like of course, a financing is even like a key to everything. So, innovative sources of financing how more reliable sources of financing can be identified, developed and harvested. So, in person meeting CI, etcetera.

The third point stimulating and tracking uptake. So, introduce mapping and more solutions to major constituencies, call for unilateral collective commitments, publicize initial commitments. Then forth on public launch and mainstreaming - promotion, marketing and other activities to maximize the use of platform active creation of new innovation and maintenance relevance to the platform over time.

So, these are the measures which came like just few years back. Further, with the a feedback and improvements and all of those like insights received, it can be enhanced into a more positive outlook of this whole thing, it can be taken up a forward.

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So, for the overall financing, a scenario for SDGs so, this is the layout, this is the source private sector investment and sustainable development UN Global Compact from year 2015. So, you can see over here at the heart of it, we have the a 17 SDGs over here and if I begin from this side, so, it begins all here at the people level, it goes to the like asset owners, investment managers like in this area, led by banks, insurance exchanges, etcetera.

So, from these institutional investors, it comes to the government. And then from this side from the people, it goes even directly to the companies, it goes to the foundations and multiple other rival like places. And from all of this, financial economy like this thing if they

dropped down to the private financial for public investment, taxes, pension funds and all of them.

From here it again, it starts going back to the system to the, a public system in the real economy. With the help of good governance and rule of law enabling environment, sustainable financial regulation, incentives and catalytic finance, sovereign wealth, funds and public partner private partnerships pBPs you may have heard of it is interesting.

So, from here if you see it with the help of foundations companies and all of these inputs and of corporate investments, FDI, social investments, it goes to build on this like set of SDGs and all these overall targets. Finally, helping into an inclusive growth, human needs and capabilities, natural resources, corporate governance and enabling environment. Inside these, you can talk about the human rise for the productivity taxes, jobs, labor standards. In human needs and capabilities, you can talk about Health Education, Human empowerment, etcetera.

Natural resources like food, agriculture, energy, water, sanitation, etcetera. And then in the corporate governance and enabling environment part, infrastructure technology, human rights, anti-corruption, all of those moments. So, like, from environment to social to the economics, and all of these are parameters, criterias, of SDGs we will get like this, this thing. So, this is this overall look at investment chain, this is how it works and forms like this bulk.

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**Partners**  
The platform will bring together major public and non-profit actors in the Financing for Development space.

**Core Partners**

- PRINCIPLES FOR RESPONSIBLE INVESTMENT (PRI)
- UNEP FINANCE INITIATIVE

**Other Partners\***

- DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS (Financing for Development)
- UNDP
- SOCIAL IMPACT FUND
- THE WORLD BANK
- IFC (International Finance Corporation)
- GIIN (Global Impact Investing Network)

\* Partnership with these organizations have not yet been formalized.

UN SDGs - Module 28      64      Dr. Shiva B, IIT Hyderabad, India      Principles for Responsible Investment

So, you can see the different partners for the UN Global Compact, and it is different allies who are working in sync.

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**BACKGROUND**

**SDG Financing Opportunity**

"Achieving the Global Goals opens up **US\$12 trillion** of market opportunities in the four economic systems examined by the Commission. These are food and agriculture, cities, energy and materials, and health and well-being. ... The total economic prize from implementing the Global Goals could be 2-3 times bigger, assuming that the benefits are captured across the whole economy and accompanied by much higher labour and resource productivity."

*Better Business, Better World, January 2017*  
The Business & Sustainable Development Commission

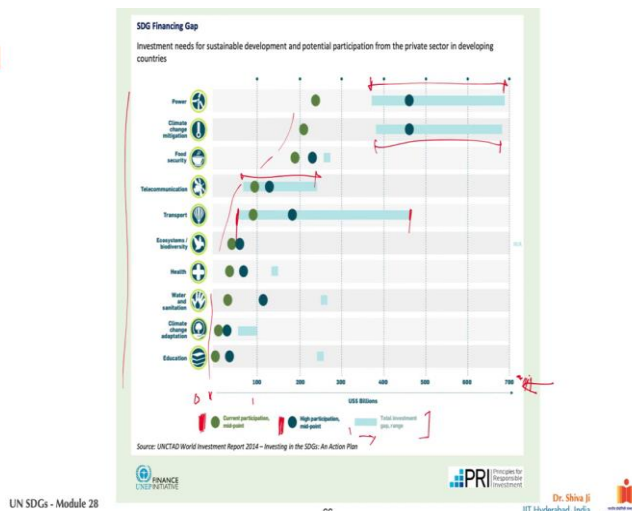
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So, the overall background, SDG financing opportunity. Achieving the global goals opens up US Dollars 12 trillion of market opportunities in the four economic systems, examined by the Commission. These are food and agriculture, cities, energy and materials and health and well being. The total economic prize from implementing the global goals could be 2 to 3 times bigger assuming that the benefits are captured across the whole economy and accompanied by much bigger labor and resource productivity.

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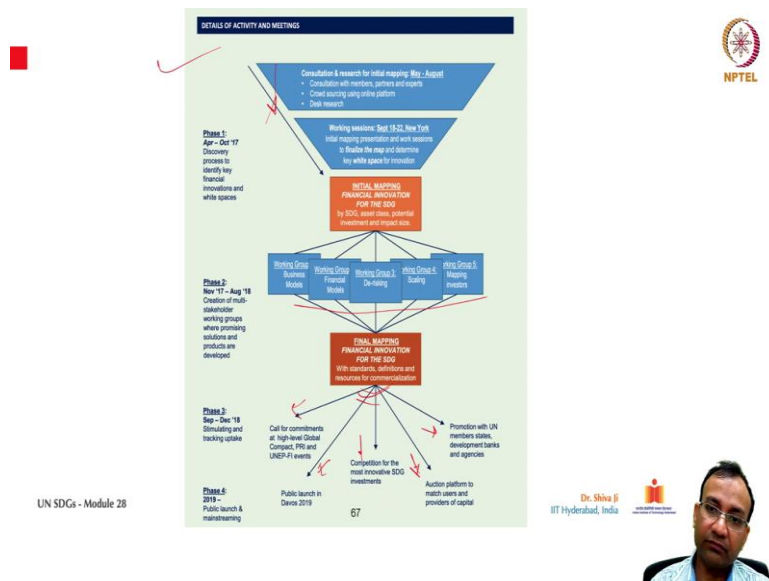


So, some gaps you can see over here current participation midpoint is shown in this green, high participation midpoint is shown through this blue, and total investment gap range is given in this light blue like a shaded in this line. So, in the power you can see in all of these

like this thing currents participation midpoint is on the left side on the lesser side and the high participation midpoint is always on the right side of respective these green bubbles.

And investment gaps are given over here you can see like at this chilly scale, it talks about US billion dollars here extreme 700 to like 100 and probably here it is very close to 0. So, from here if you see this range is like too big right here, this also is too big. So, this is this gap in which makes things the worst, worst and vulnerable. So, different sectors power climate change mitigation, food security, telecom transport, ecosystems and biodiversity health, water and sanitation, climate change, adaptation education.

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So, different like activities and meetings, how it is the whole thing has happened. So, you can see different like a stage wise maybe you can read it in your leisure time, consultation and research, financial mapping. So, consultation, crowdsourcing, desk research etcetera, then coming down to the walking sessions initial mappings and then developing these 5 like goals over here business models financial models with de risking scaling mapping customers and overall final a mapping over here from this you go back to like a different calls happening at different places and locations.

(Refer Slide Time: 24:17)

## Financing the SDGs in Asia Pacific



Financing the SDGs in Asia Pacific, so what is happening in Asia Pacific. So, in this region, if you see domestic private 48 percent. Then second, domestic public at 43.6 percent. Then we have international private 7 percent, international public at only 0.4 percent. So, this is like the situation in Asia Pacific.

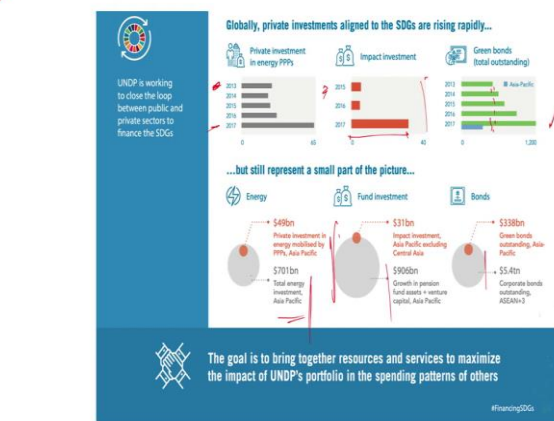
Next chart talks about government revenues across the region as a whole have more than doubled in the past 10 years rising from a total of US dollars 1.9 trillion in 2008 to US dollar 4.2 trillion in 2017. So, more than double you can see the similar graph going on here, but remains very low in some parts of the region as less than US dollar 500 per person in 10 countries.

So, this like inclination is slower in majority of the countries where I am like this intervention is needed even more. So, this needs to actually practically change this improvement in LDCs are no longer the place of need must actually improve at much faster rate.



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## Financing the SDGs in Asia Pacific



UN SDGs - Module 28

69

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Then we have globally private investment aligned to the SDGs are rising rapidly, well, it is increasing, but yes, we saw the need and pinpointed range also, where it needs to improve more. Private investment in energy, if you see from year 2013 to 17, it has doubled like more than doubled, impact investment manifold green bonds total outstanding.

So, from 2013 to 17 in a gap of just 4 years, maybe you see how much this also has doubled more than doubled, but still presents a small part of the picture. Energy foreign investment bounce so 49 billion Dollar, private investment in energy mobilized by pBPs Asia Pacific. And 701 billion total energy investment in Asia Pacific, so see the humongous like a figure.

Fund investment 31 billion impact investment Asia Pacific excluding Central Asia 906 billion growth in pension fund assets plus venture capital Asia Pacific. Here we have 338 billion green bonds outstanding Asia Pacific 4.9 trillion corporate bonds outstanding ASEAN Plus 3.

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So, UNDP services in the region, so, Indo Pacific, Asia Pacific what is like happening if you see from this point of view. So, integrated national financing frameworks for the SDGs begins here, then is the budgeting and we have seen it earlier, then, looking for your instruments, and leveraging International, finances etcetera. Unlocking private finances, then aligning business strategies, and finally, impact measurement and SDG finance reporting. So, this is a cyclic program which underlines the whole process.

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### Financing the SDGs in Asia Pacific



And it brings it all together, if you see UNDP delivered, 3.19 billion Dollars in the region in 2015 to 18. Such a huge investment through approaches tailored by 24 offices covering 36 countries and territories. So, very inclusive, like a geographical representation from most of





(Refer Slide Time: 30:55)

## The DFA analytical framework



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76

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Well, the whole analytical framework of DFA is illustrated over here from public domestic and international, from private domestic and international. Integrated planning and financings for all of them SDGs together, MOUs collaborations, then going on to monitoring and review, transparency, accountability, etcetera.

(Refer Slide Time: 31:20)

## The dimensions of the DFA analytical framework



**Box 1. The dimensions of the DFA analytical framework**

The DFA analyses the factors that link planning and finance and brings together actors for a more integrated approach to financing the SDGs. It looks at the strengths of existing systems and identifies opportunities where policy change or reform could further enhance financing for the SDGs. The analysis is underpinned by five dimensions which constitute an integrated approach to financing the SDGs and which can be applied at the macro, sectoral or thematic levels:

1. **Assessing financing trends.** What opportunities and challenges does the financing landscape present for realizing national sustainable development plans?
2. **Integrated planning and financing.** How are planning and finance policy functions aligned to mobilize the resources needed to realize sustainable development plans?
3. **Public-private collaboration.** How does government create an environment that promotes inclusive and sustainable contributions to development from private and public actors?
4. **Monitoring and review.** What systems exist to track finance and monitor SDG outcomes, and how are these used to inform policies that aim to deliver SDG outcomes?
5. **Transparency and accountability.** How do governments and other actors hold each other accountable and engage in policy dialogue that supports greater effectiveness?

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77

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The dimensions of the DFS analytical framework. In this one, let me read this for you. The DFS analyzes the factors that link planning and finance and brings together actors for a more integrated approach to financing the SDGs. It looks at the strengths of existing systems and identifies opportunities, where policy change or reform could further enhance financing for the SDGs.

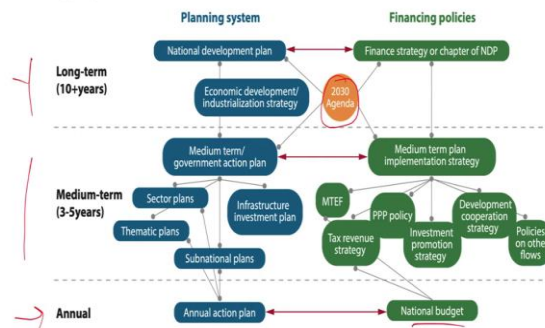
The analysis is underpinned by five dimensions which constitute an integrated approach to financing the SDGs and which can be applied at the macro, sectoral or thematic levels. So, the first point, assessing financial dreams. What opportunities and challenges does the financial landscape present for realizing national system build development plans, this needs to be figured out.

Second, integrated planning and managing how our planning and finance policy functions aligned to mobilize the resources needed to realize sustainable development plans. The third point talks about public private collaboration, how does government create an environment that promotes inclusive and sustainable contributions to development from private and public sectors?

Fourth point monitoring and review what systems exist to track finance and monitor SDG outcomes? And how are these used to inform policies that aim to deliver SDG outcomes? The fifth point transparency and accountability. How do governments and other actors hold each other accountable and engage in policy dialogue that supports greater effectiveness?

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**Common elements of national planning and financing systems**



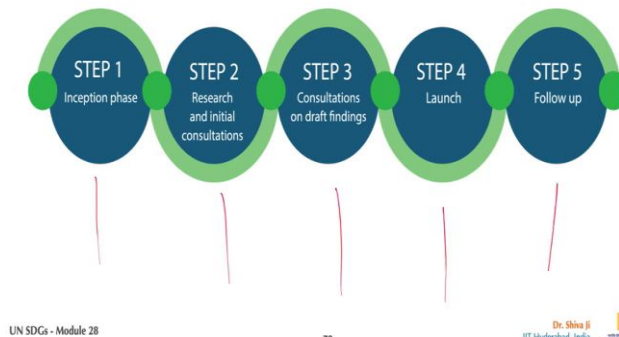
Note: The red arrows highlight key points at which the planning and financing systems should be closely connected. Source: UNDP (2018), Country innovations for integrated SDG financing.



You can see it here on this layout. So, we have these blue bubbles, which denote about planning system and green denote about financial policies and in between, we have like this agenda over here. So, annual plans, if you see annual action plan, national budget, then medium, like, term plans, like 3 to 5 years. So, those and then long term plan 10 plus years National Development Plan, economic development standard, industrialization strategy, finance strategy for cheaper or NDP, etcetera. So, this takes in a long time for it is a planning execution and operations.

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## ■ Phases of the DFA process



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79

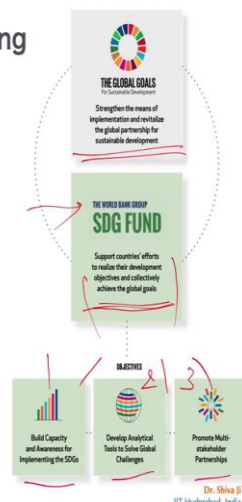
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So, there are 5 like phases involved in this process, Inception, research and initial consultations, consultations on draft findings, launch and follow up.

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## ■ World bank group SDG funding



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80

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## Where WB works



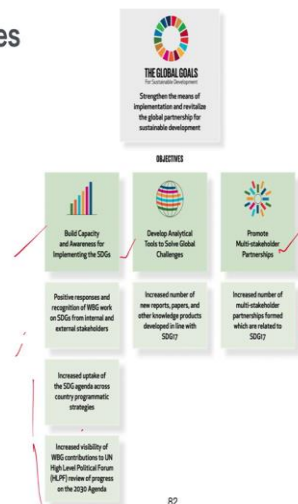
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81

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## WB objectives



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82

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How the World Bank Group, like a fun day funds SDG, so that is given over here. We will see. So, SDG Global Goals strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development. The World Bank Group SDG fund support country's efforts to realise the development objectives and collectively achieve the global goals.

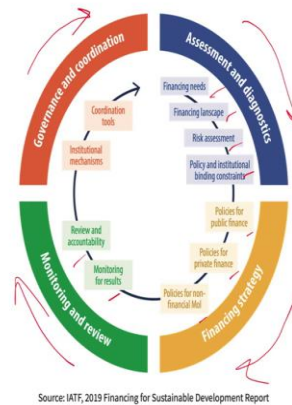
This is the overall like a goal? Well, with three objectives, you can see 1, 2, 3; build capacity and awareness for implementation of SDGs, develop analytical tools to solve global challenges and finally, promote multi stakeholder partnerships. Some places where world bank works, you can see from Timor Leste a to Indonesia, Malaysia Sri Lanka Malaysia Nepal, Vietnam, Pakistan, Tajikistan, Kyrgyz, Kazakastan China, Philippines there are many.

The overall World Bank's objectives build capacity and awareness for implementation, develop analytical tools to solve global challenges, promote multi stakeholder partnerships.

And this one we have some more, positive responses and the combination of the WBG work on SDGs from internal and external stakeholders, increased number of new reports papers, other knowledge products, increasing number of multi stakeholder partnerships, increase uptake of SDG agenda across country programmes, increased visibility of MD, MMDG contributions to a UN High Level political forum.

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### The Building Blocks of an INFF



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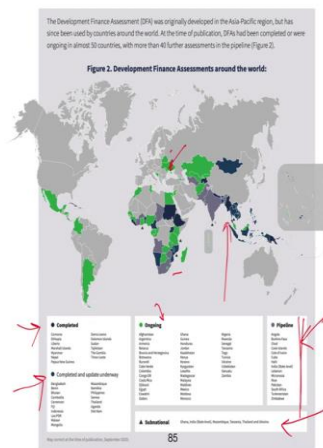
84

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### Development Finance Assessments Worldwide



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85

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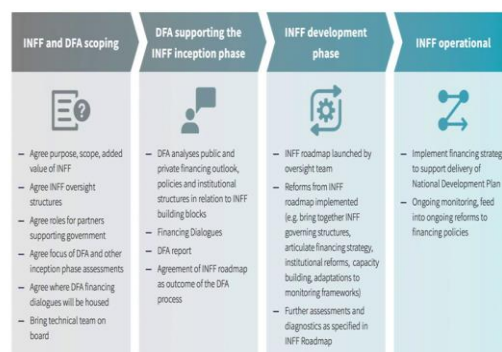
So, we are referring this report maybe you can search for it, for the latest set of data. So, the building blocks of INFF; governance and coordination, assessment and guidance financing strategy, monitoring and review. So, 4 major like quadrants over here financing needs, financing landscape, risk assessment, policy and intuitional binding constraints. Policies for public finance, policy for private finance policies for non financial employees, monitoring

officers, review and accountability institutional investment, mechanisms and coordination tools.

So, these are the places where, where we will see like some in like a shades, if you see this dark blue is given for like a completed once and this blue with this hash pattern completed but update underway like here are some places it is given and green ones are ongoing ones. Pipeline, there are many of these given over here which are in pipeline will be coming in on a later subnational. So, Ghana, India, Mozambique, Tanzania, Thailand and Ukraine. So, these are the places you see ongoing one I think there is there in Ukraine also Belarus also.

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■ Typical role of the DFA within the larger process to operationalise an INFF



Source: adapted from documents from joint INFF and DFA scoping missions in a selection of countries



Typical role of the DFA within the larger processes to operationalize and INFF. So, you see there are 4 steps. INFF and DFA scoping, DFA supporting, the INFF, inception phase, then INFF development phase, INFF becomes like operational. So, the typical format like how entrepreneurial like a startup or something in this area would might begin. So, point by point it is given out over here.

(Refer Slide Time: 38:47)

## UNDP Finance Sector Hub - SDG Financing Wheel



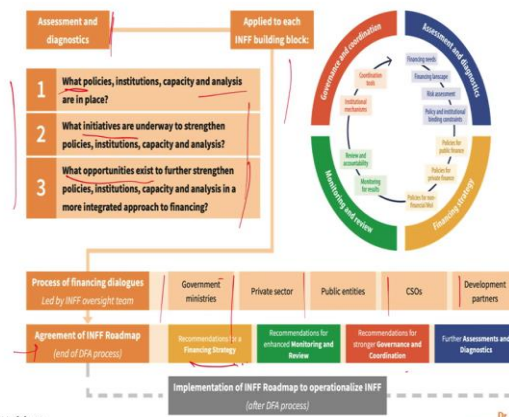
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87

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## DFA analytical framework



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88

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UNDP finance sector hub SDG financing wheel. So, in this one will we will see in like these UNDP financial sector, how SDG ((39:01)) So, integrated national financial fragment frameworks, SDG budgeting, SDG aligned financial and leveraging international public financing for the SDGs, then unlocking private finance for the SDGs and we have aligning business strategies and operations for the SDGs and finally, impact measurement and SDG finance reporting. So, this is how it makes is complete.

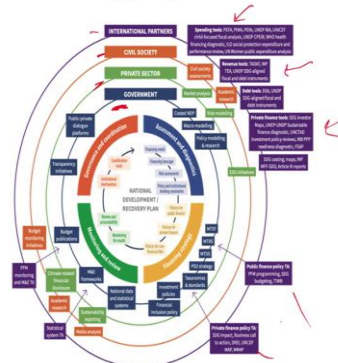
So, DFA is the analytical framework begins with the assessment and diagnosis like it comes like here. So, from here and onward, how do you like take that feedback and will like, improve it right so apply to each and every building block 1, 2, 3 and you can see what policies, institution capacity and policies are in place, what initiatives are underway to strengthen policies, institutions? What opportunities exist for further strengthen policies. So,

what are the available things, what initiatives are taking and what opportunities are there? That is how it progresses.

So, process of financing dialogues, government ministries, private sector, public entities CSOs, development partners, element of INFF roadmap, recommendations are for financial strategy at this place, recommendations for enhance monitoring and review, recommendation for stronger governance and coordination, further assessments and diagnostics. So, overall implementation of high INFF roadmap to operationalize INFF.

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### The DFA as a tool for mapping the INFF building blocks



Notes: CPER - Climate Public Expenditure and Institutional Assessment; DREI - Derisking Renewable Energy Investment; SSA - Odes Sustainability Analysis; ESG - Environment, Social and Corporate Governance; SPA - Financial Stability Assessment Program; WFP-SDG - Macro-Financial Framework for SDGs; Budget - Budget Review for the Party; CSDG - Medium-term SDG Strategy; MFI - Medium-term Expenditure Framework; PFI - Medium-term Revenue Strategy; PER - Public Expenditure and Financial Accountability; PFR - Public Expenditure Review; PFM - Public Financial Management; PMA - Public Investment Management Assessment; PDI - Private Sector Development; R - Rapid Integrated Assessment; TA - Technical Assistance; TADP - Tax Administration Diagnostic and Assessment Tool; TIR - Tax Inspector Without Borders; UNCF MAP - Making Access possible.



### Types of SDG costing



Source: UNDP, 2020, SDG Costing: A Guidance Note



So, DFA as a tool for mapping the INFF building blocks, you can see this in detail, for the benefit to understand more like you see this, these concentric circles, this inner one represents government and private sector, civil society, international partners and on the four quadrants,

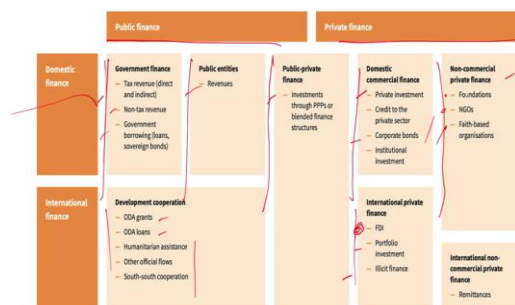
governance and coordination, assessment and diagnosis, financing strategy and monitoring and review in these four like how it is like a planned.

So, this mapping will help you with understanding those building blocks which are crucial for INFF. So, spending tools PFA, PIMA, PER, CLDPRIA, UNICEF, etcetera. And revenue tools Ta, DA, T, IMF, ta UNDP SDG aligned fiscal and debt instruments. Then debt tools we have DSA UNDP SDG, aligned fiscal and debt instruments. Private financing tools SDG, investor maps, UNEP, UNDP, sustainable finance, diagnostic untarred, international policy reviews etcetera.

Then as these costing maps IMF SDG ,public finance policy and TA PFM programming, SDG budgeting; TIWB, private finance policy ta SDG impact business call to action, DREI UNCDF, ma MM4P, for the costings involved in this. So, there are 3 SDG costing for public sector for private sector and costing for SDG products line together.

(Refer Slide Time: 42:42)

### Public, private, domestic and international resources across the financing landscape



Note: See IATF INEF Assessment and diagnostics guidance for further details. This diagram presents an overview of the wide range of financing types that can be covered when mapping the financing landscape. Not all flows fit neatly into one of these boxes - some flows, for example, are a mixture of public and private sources of finance; others mix domestic and international resources. It is also important to note and take steps to address the potential overlaps between many flows listed here - see IATF guidance. FBO = Faith-based Organisation, FDI = Foreign Direct Investment, NGO = Non-governmental Organisation, ODA = Official Development Assistance. Institutional investors include private pension funds, mutual funds, insurance companies, private equity, and venture capital funds.



Public private domestic and international results across the financial landscape. So, a huge disruption has happened in the last one year when this some disturbance happened in the Europe, Eastern Europe. And now, this financial resource movements scenario has also changed, these international transactions are like a swift used to be the only one and now there is not like a major change into that platform also.

So, how these public finances and the private finances are going to move from country to country, that actually details out about here, but as per this, if you see in the public finance or in the private finance, government finances, public entities, public private finances they will

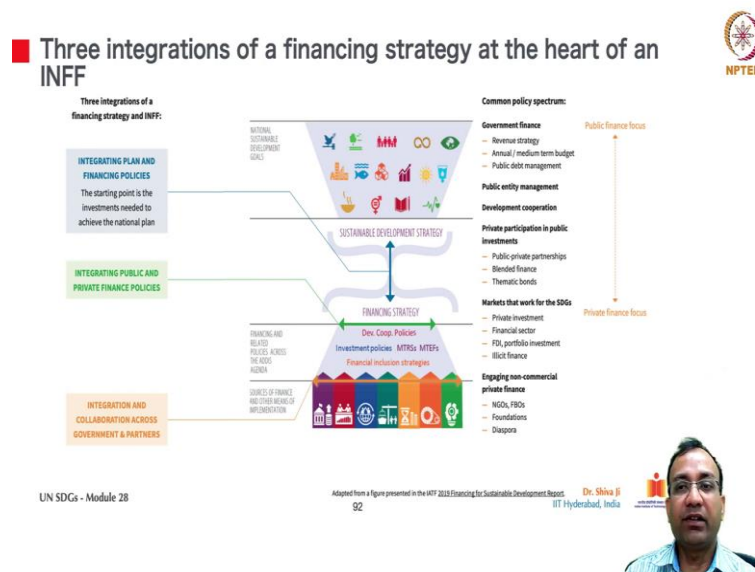


come in the middle, then domestic commercial finances and purely private, like this thing not commercial privatise.

So, what are the domestic interferences possible? In this you can see here, tax revenue, non tax revenue, government, here we have revenue up investment through pBPs. Here we have private investment, credit to service private sector, corporate bond (43:54) etcetera. Non commercial private finances, foundations, so, like a different philanthropic organisations, NGOs, faith based organisation.

So, they bring in at international level, you can see this little bit changes over here development cooperation, ODA grants ODA loans, humanitarian assistance, other official flows, South South cooperation etcetera and international private financing if you see, FDI is the one of the major players, then portfolio investment, illicit finance is also like, backdoor black money etcetera. International non-commercial private finances, they help with remittances.

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Three integration software financing strategy at the heart of, INFF. Three integrated integration software financing strategy and INFF you can see over here through this.