

Solutions for all: Global Challenges to Achieve the SDGs



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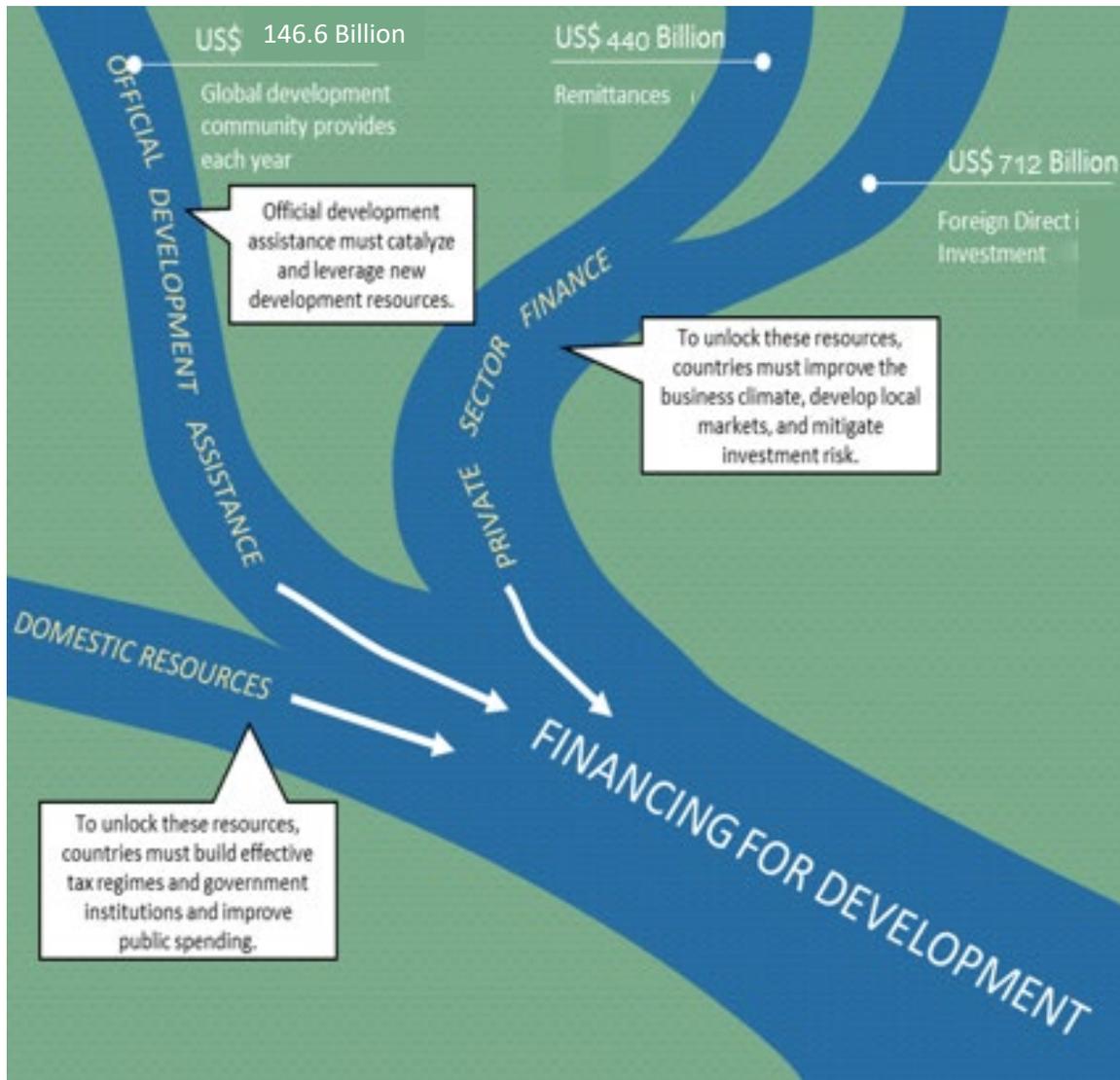


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1. Finance

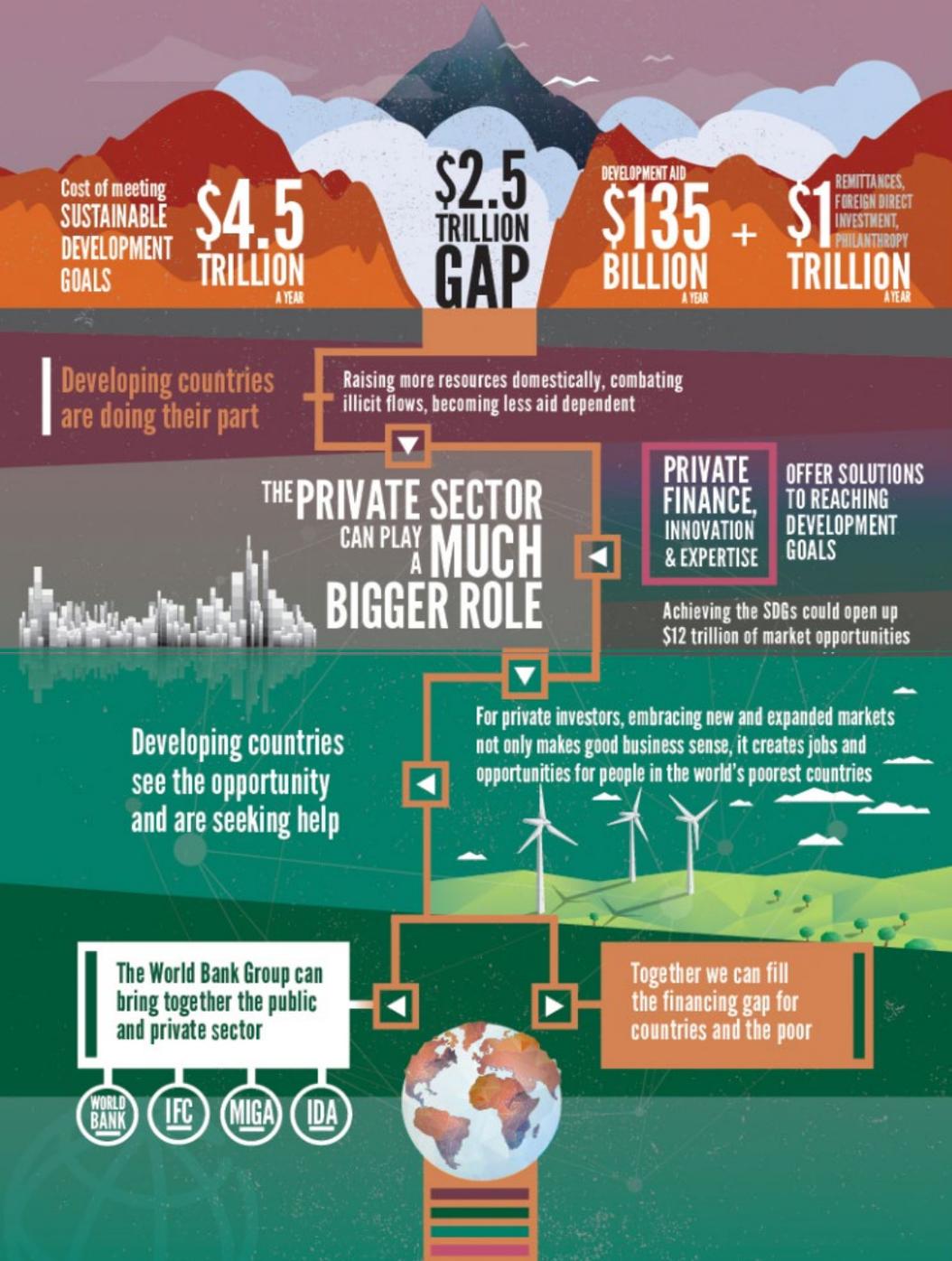


Paradigm shift - move the discussion from **“billions”** to **“trillions”**

Financing will have to come from multiple sources: **governments and philanthropy, remittances, South-South flows, other ODA, and FDI**

Two main pillars: **public domestic resources** and **private sector finance**

1. Maximizing Finance for Development



- The World Bank Group's crucial effort to redefine our approach to development finance: **leveraging the private sector** in ways that optimize the use of scarce public resources
- It is nearly **impossible to meet the SDGs by relying on public funding alone**
- The **private sector** can play a much bigger role in socially and environmentally responsible development, both as an **investor** and as a **source of innovation and expertise**

1. The Cascade Approach



2. Evolution of Business and Sustainable Development

Charity

Obligations

Corporate Social Responsibility (CSR)

Sustainability

2. Business and Sustainable Development

"Business leaders need to strike out in new directions to embrace more sustainable and inclusive economic models."

"There is the chance to rebuild trust between business and wider society."

"Big business and finance need to regain public trust."

"More than 150 million children are working unseen and unprotected."

"The Global Goals could deliver 380 million new jobs in business."

2. SDGs Present Enormous Business Opportunity

Achieving the SDGs could unlock

**\$12 trillion
a year**

in business value across
four economic systems
alone by 2030



Food and agriculture
US\$2.3 trillion



Cities and urban mobility
US\$3.7 trillion



Energy and materials
US\$4.3 trillion



Health and well-being
US\$1.8 trillion

Creating
more than
**380 million
jobs**

Sustainable development:

- Opens up new opportunities and big efficiency gains
- Drives innovation
- Enhances reputations

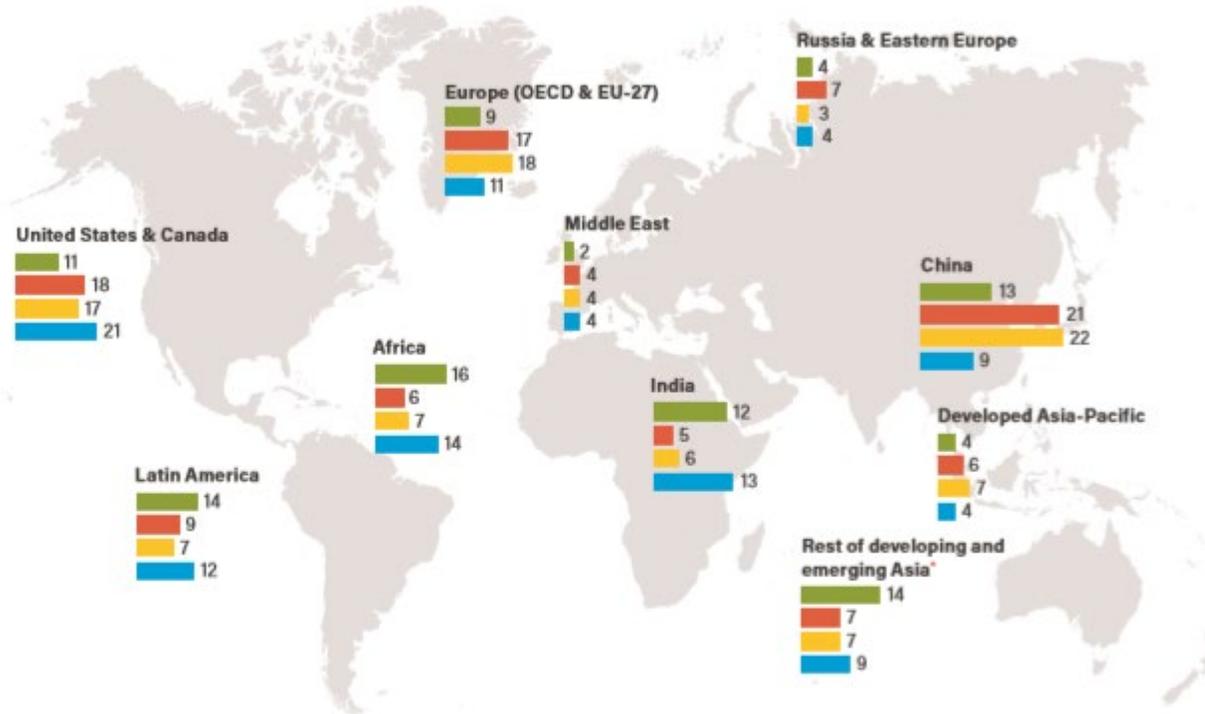
With a reputation for sustainability...

- Companies attract and retain employees, consumers, B2B customers and investors
- Companies secure their license to operate
- Companies thrive and deliver attractive returns to shareholders

2. More than 50% of Opportunities are in Developing Countries

Share of value of SDG business opportunities by region and system; Percent

■ Food and Agriculture
 ■ Cities
 ■ Energy and Materials
 ■ Health and Well-Being



- Asia is particularly well placed to reap the collective benefits
- More than 40% of the US\$12 trillion in business opportunities associated with the SDGs around the world are in Asia

Total opportunity share, %

Food and agriculture
 Cities
 Energy and Materials
 Health and Well-being

Developing

Developed



* Rest of developing Asia includes Central Asia (e.g., Uzbekistan), South Asia (e.g., Bangladesh), Southeast Asia (e.g., Laos), and North Korea.

Source: Business Commission, 2017

2.WBG's Operating Principles for Impact Investment

Strategic intent

1. Define strategic impact objectives consistent with the investment strategy
2. Manage strategic impact and financial returns at portfolio level

Origination & Structuring

3. Establish the investor's contribution to the achievement of impact
4. Assess the expected impact of each investment, based on a systematic approach
5. Assess, address, monitor and manage the potential risks of negative effects of each investment

Portfolio management

6. Monitor the progress of each investment in achieving impact against expectations and respond appropriately

Impact at exit

7. Conduct exits, considering the effect on sustained impact
8. Review, document and improve decisions and processes based on the achievement of impact and lessons learned

Independent verification

9. Publicly disclose alignment with the principles and provide regular independent verification of the extent of alignment

2. Gender Equality and Sustainable Development

A bigger boost to growth

- Closing the gender gap could increase GDP by an average of 35%

Higher productivity

- Increased labor force participation
- Gender diversity increases **productivity** and potential for **innovation**

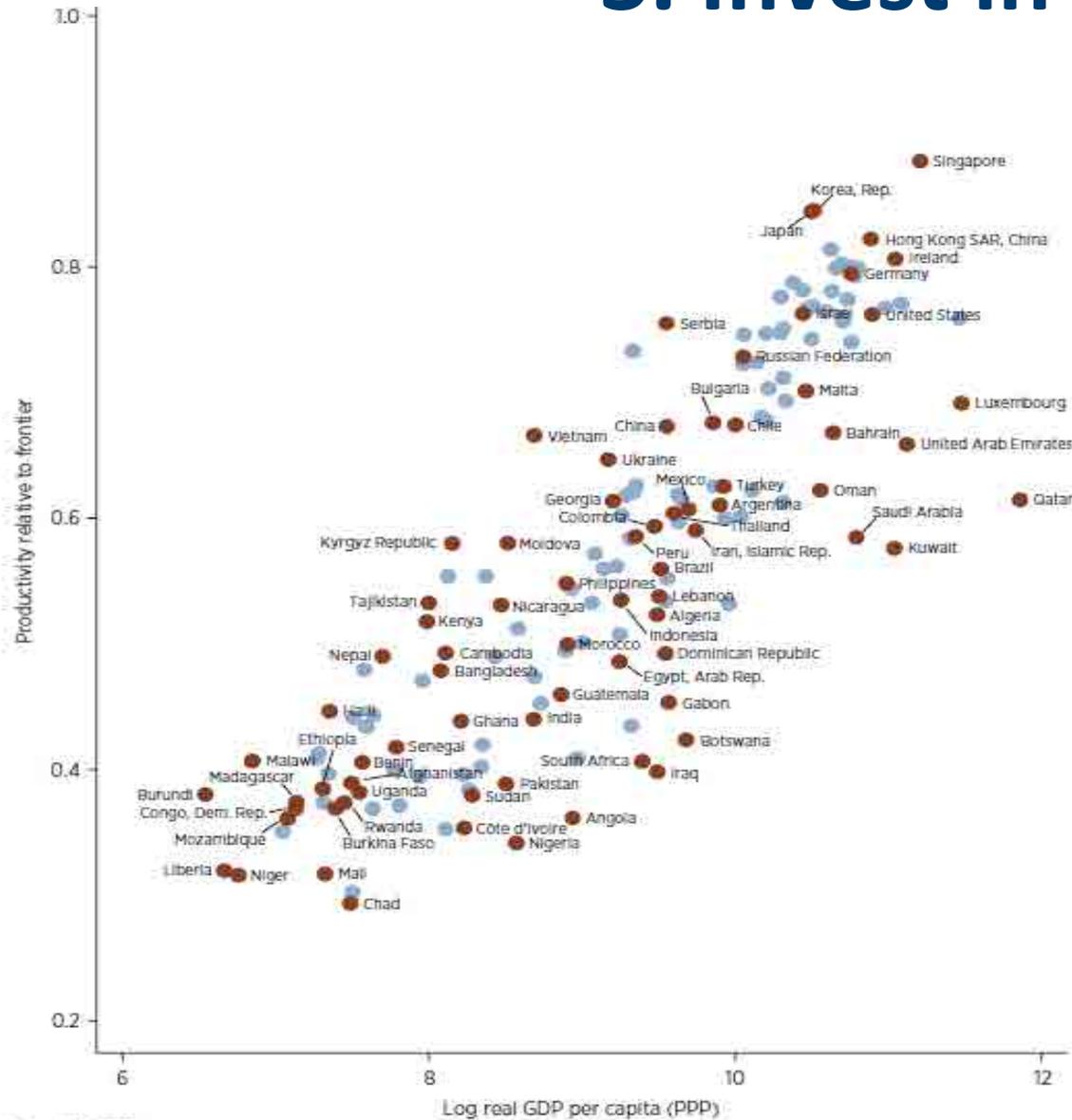
Higher male incomes

- Men's **wages will also increase** as a result of greater inclusion of women in the labor force since **productivity** will increase

A bigger payoff

- Equality can add **\$12 trillion to global growth**

3. Invest in Human Capital



Source: WDR 2019 team.

Note: The Human Capital Index ranges between 0 and 1. The index is measured in terms of the productivity of the next generation of workers relative to the benchmark of complete education and full health. An economy in which the average worker achieves both full health and full education potential will score a value of 1 on the index. GDP = gross domestic product; PPP = purchasing power parity.

- The World Bank Group's Human Capital Project is a global effort to accelerate more and better investments in people for greater equity and economic growth.
- The cost of inaction on human capital development is going up.
- HCP is expected to help create the political space for national leaders to prioritize transformational human capital investments.

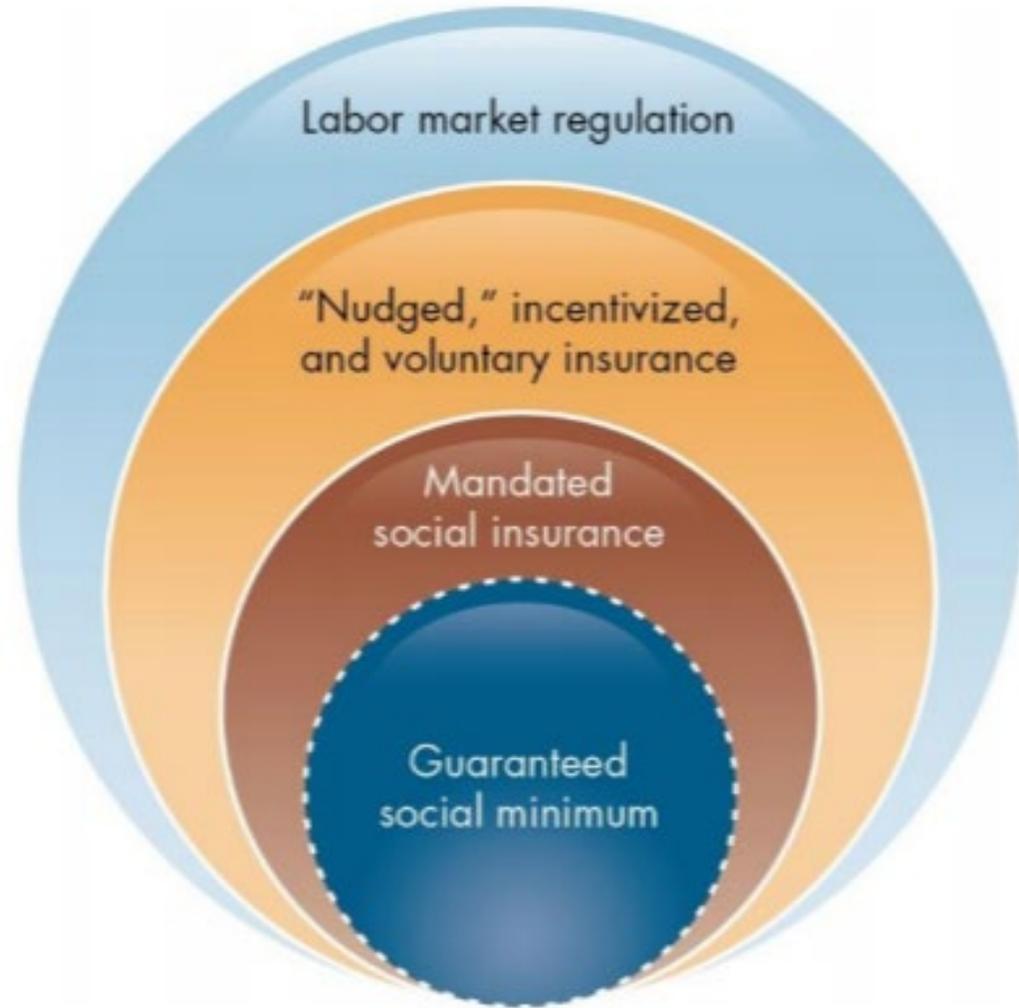
3. Human Capital Index was launched in 2018

Launched in 2018, the HCP assesses Building blocks of human capital:

- **Survival** – Will kids born today survive to school age?
- **School** – How much school will they complete and how much will they learn?
- **Health** – Will kids leave school in good health and be ready for further learning and/or work?

Rank	Economy	HCI score	Rank	Economy	HCI score	Rank	Economy	HCI score
157	Chad	0.29	104	Egypt, Arab Rep.	0.49	51	Mongolia	0.63
156	South Sudan	0.30	103	Honduras	0.49	50	Ukraine	0.65
155	Niger	0.32	102	Nepal	0.49	49	United Arab Emirates	0.66
154	Mali	0.32	101	Dominican Republic	0.49	48	Vietnam	0.67
153	Liberia	0.32	100	Cambodia	0.49	47	Bahrain	0.67
152	Nigeria	0.34	99	Guyana	0.49	46	China	0.67
151	Sierra Leone	0.35	98	Morocco	0.50	45	Chile	0.67
150	Mauritania	0.35	97	El Salvador	0.50	44	Bulgaria	0.68
149	Côte d'Ivoire	0.35	96	Tunisia	0.51	43	Seychelles	0.68
148	Mozambique	0.36	95	Tonga	0.51	42	Greece	0.68
147	Angola	0.36	94	Kenya	0.52	41	Luxembourg	0.69
146	Congo, Dem. Rep.	0.37	93	Algeria	0.52	40	Slovak Republic	0.69
145	Yemen, Rep.	0.37	92	Nicaragua	0.53	39	Malta	0.70
144	Burkina Faso	0.37	91	Panama	0.53	38	Hungary	0.70
143	Lesotho	0.37	90	Paraguay	0.53	37	Lithuania	0.71
142	Rwanda	0.37	89	Tajikistan	0.53	36	Croatia	0.72
141	Guinea	0.37	88	Macedonia, FYR	0.53	35	Latvia	0.72
140	Madagascar	0.37	87	Indonesia	0.53	34	Russian Federation	0.73
139	Sudan	0.38	86	Lebanon	0.54	33	Iceland	0.74
138	Burundi	0.38	85	Jamaica	0.54	32	Spain	0.74
137	Uganda	0.38	84	Philippines	0.55	31	Kazakhstan	0.75
136	Papua New Guinea	0.38	83	Tuvalu	0.55	30	Poland	0.75
135	Ethiopia	0.38	82	West Bank and Gaza	0.55	29	Estonia	0.75
134	Pakistan	0.39	81	Brazil	0.56	28	Cyprus	0.75
133	Afghanistan	0.39	80	Kosovo	0.56	27	Serbia	0.76
132	Cameroon	0.39	79	Jordan	0.56	26	Belgium	0.76
131	Zambia	0.40	78	Armenia	0.57	25	Macao SAR, China	0.76
130	Gambia, The	0.40	77	Kuwait	0.58	24	United States	0.76
129	Iraq	0.40	76	Kyrgyz Republic	0.58	23	Israel	0.76
128	Tanzania	0.40	75	Moldova	0.58	22	France	0.76
127	Benin	0.41	74	Sri Lanka	0.58	21	New Zealand	0.77
126	South Africa	0.41	73	Saudi Arabia	0.58	20	Switzerland	0.77
125	Malawi	0.41	72	Peru	0.59	19	Italy	0.77
124	eSwatini	0.41	71	Iran, Islamic Rep.	0.59	18	Norway	0.77
123	Comoros	0.41	70	Colombia	0.59	17	Denmark	0.77
122	Togo	0.41	69	Azerbaijan	0.60	16	Portugal	0.78
121	Senegal	0.42	68	Uruguay	0.60	15	United Kingdom	0.78
120	Congo, Rep.	0.42	67	Romania	0.60	14	Czech Republic	0.78
119	Botswana	0.42	66	Ecuador	0.60	13	Slovenia	0.79
118	Timor-Leste	0.43	65	Thailand	0.60	12	Austria	0.79
117	Namibia	0.43	64	Mexico	0.61	11	Germany	0.79
116	Ghana	0.44	63	Argentina	0.61	10	Canada	0.80
115	India	0.44	62	Trinidad and Tobago	0.61	9	Netherlands	0.80
114	Zimbabwe	0.44	61	Georgia	0.61	8	Sweden	0.80
113	Solomon Islands	0.44	60	Qatar	0.61	7	Australia	0.80
112	Haiti	0.45	59	Montenegro	0.62	6	Ireland	0.81
111	Lao PDR	0.45	58	Bosnia and Herzegovina	0.62	5	Finland	0.81
110	Gabon	0.45	57	Costa Rica	0.62	4	Hong Kong SAR, China	0.82
109	Guatemala	0.46	56	Albania	0.62	3	Japan	0.84
108	Vanuatu	0.47	55	Malaysia	0.62	2	Korea, Rep.	0.84
107	Myanmar	0.47	54	Oman	0.62	1	Singapore	0.88
106	Bangladesh	0.48	53	Turkey	0.63			
105	Kiribati	0.48	52	Mauritius	0.63			

3. Invest in Resilience



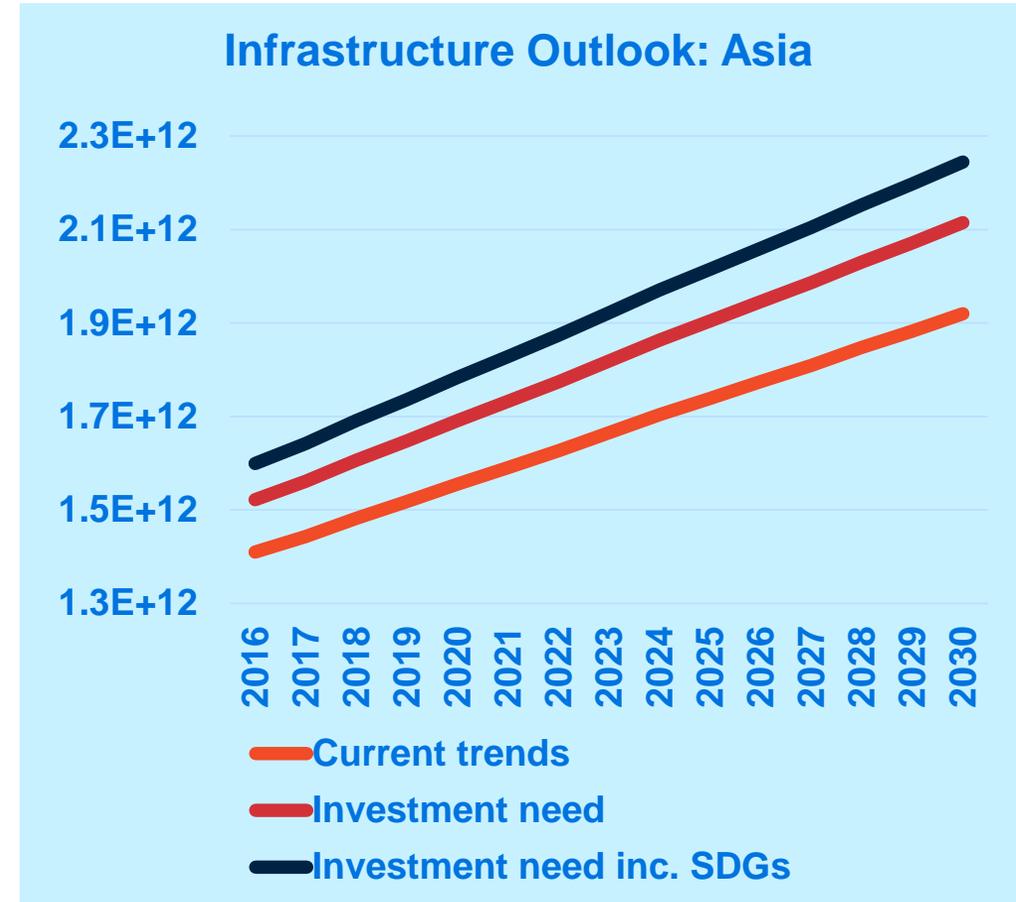
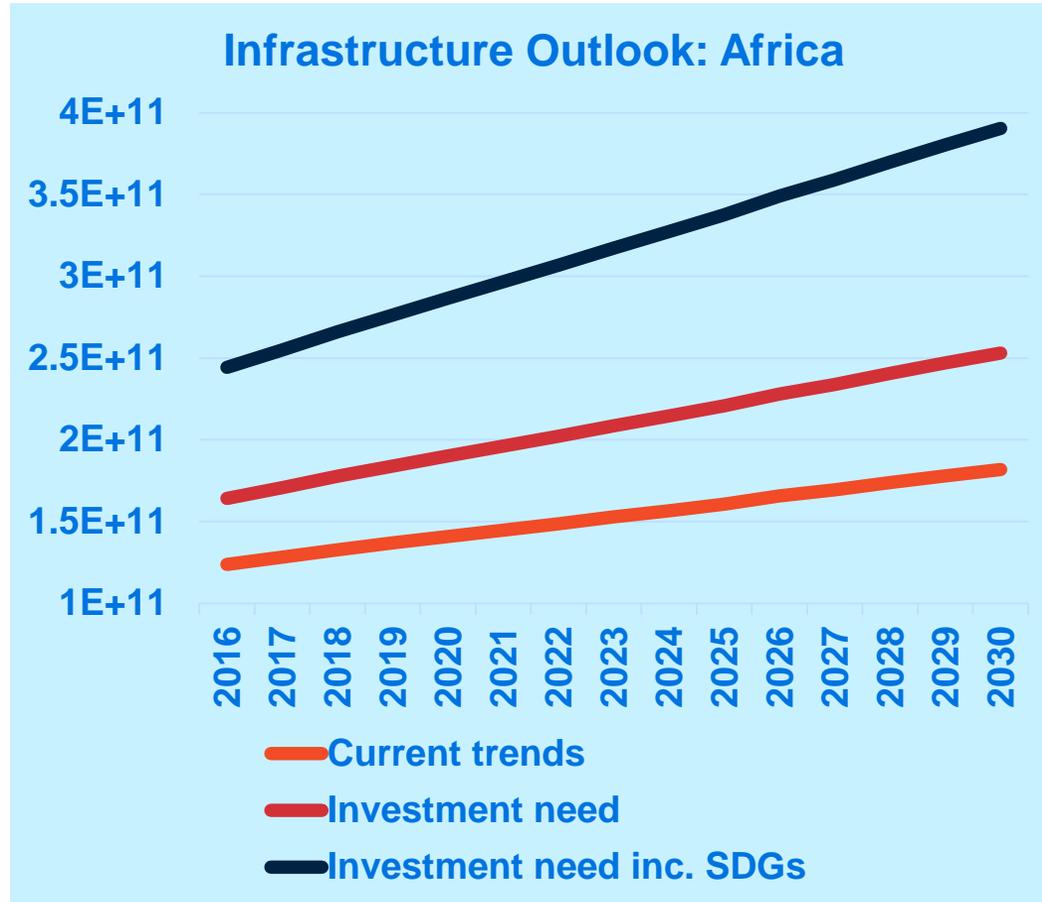
Ability to manage the wide range of shocks and stresses which may occur

- natural
- technological or
- socioeconomic

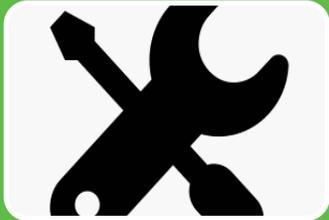
Examples of investments include:

- Expansion of social protection coverage while giving priority to the poorest people
- Strengthening of all aspects of climate and disaster resilient development, including coordinating institutions, risk identification and reduction, preparedness, financial and social protection, and resilient reconstruction

3. Invest in Infrastructure

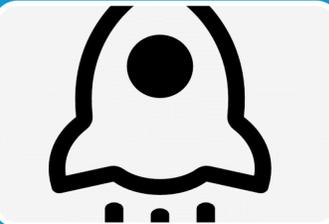


3. Invest in Digital Infrastructure: Three B's of Technology



Build

- Develop the foundational building blocks for sustainable, technology-led economies (for example, the Digital Economy for Africa Initiative, and Identification for Development).



Boost

- Expand the capacity of people and institutions to thrive in a resilient society in the face of disruption (for example, ongoing citizen engagement).



Broker

- Harness disruptive technology, data, and expertise to solve development challenges and manage risks through collaborations (for example, with partners including Airbnb, Amazon and LinkedIn).

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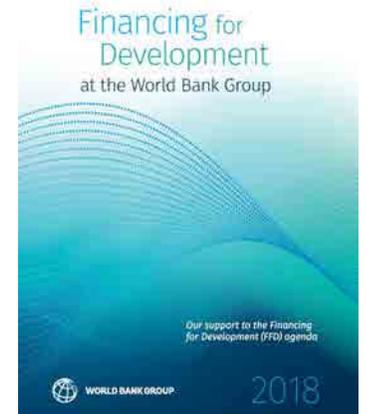
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Atlas of Sustainable Development Goals
2018
From World Development Indicators



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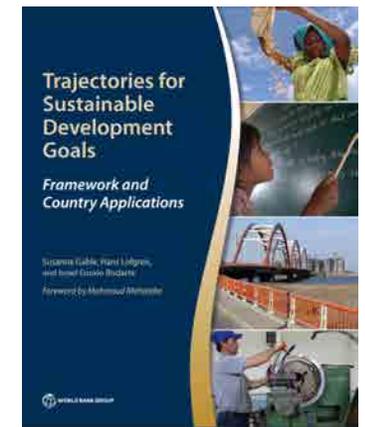
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