Sustainable Development Goals: The Role of Technology and Innovation

Dow Jones Sustainability Index (DJSI) Conference
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The 2030 Agenda and the Sustainable Development Goals
From MDGs to SDGs:
A major opportunity for global transformation

Sustainable Development Goals

Millennium Development Goals
2000 - 2015
8 Goals
21 Targets
60 Indicators
Priority Areas on Human Development
Primarily Developing Countries

2016 - 2030
17 Goals
169 Targets
231 Indicators

Holistic: Economic, Environmental, Human, Social
Relevant for Every Country
SDGs Can Unlock Significant Business Opportunities

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

Source: CEO Guide to the Sustainable Development Goals, World Business Council For Sustainable Development (WBCSD)
## Opportunities for the Private Sector

12 largest business themes in a world economy heading for the SDGs

<table>
<thead>
<tr>
<th>Theme</th>
<th>Value of incremental opportunities in 2030 (US$ billions: 2015 values)</th>
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</thead>
<tbody>
<tr>
<td>Mobility systems</td>
<td>2,020</td>
</tr>
<tr>
<td>New healthcare solutions</td>
<td>1,650</td>
</tr>
<tr>
<td>Energy efficiency</td>
<td>1,345</td>
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<tr>
<td>Clean energy</td>
<td>1,200</td>
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<tr>
<td>Affordable housing</td>
<td>1,080</td>
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<tr>
<td>Circular economy manufacturing</td>
<td>1,015</td>
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<tr>
<td>Healthy lifestyles</td>
<td>835</td>
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<tr>
<td>Food loss &amp; waste</td>
<td>685</td>
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<tr>
<td>Agricultural solutions</td>
<td>665</td>
</tr>
<tr>
<td>Forest ecosystem services</td>
<td>365</td>
</tr>
<tr>
<td>Urban infrastructure</td>
<td>355</td>
</tr>
<tr>
<td>Buildings solutions</td>
<td>345</td>
</tr>
<tr>
<td>Other</td>
<td>740</td>
</tr>
</tbody>
</table>

More than Half of SDG related Business Opportunities are in Developing Countries

Share of SDG Business Opportunities by Region and System

The SDGs cannot be achieved by 2030 without the private sector

- Private investment and expertise are critical to both finance and implement business solutions that help end poverty and reach the SDGs

- Through the five institutions of the World Bank Group - IBRD, IDA, IFC, MIGA and ICSID - the World Bank Group is helping channel private investment to developing countries

- The ambition of the World Bank Group is to become not just a provider of capital but a facilitator of capital
How are Companies Engaging with SDGs?
Evidence of Clear Business Intent to Engage Productively

- 41% of companies have integrated SDGs into strategy setting
- 44% of companies have taken initial steps to analyze the links between SDGs and their current corporate strategy
- 24% of companies indicate an intention to integrate SDGs into their strategic thinking moving forward

Source: World Business Council for Sustainable Development (WBCSD) & DNV GL
Achieving SDGs Requires
Data, Finance, and
Implementation
Data is the new oil
A New Era of Financing for Development: SDGs Require Vast Resources

New Approach, New Commitment

• Financing for Development entered a new era in July 2015 when the global community agreed to the Addis Ababa Action Agenda, a framework and set of commitments for financing the Sustainable Development Goals.

• Since this will require far more funding than aid can provide, the World Bank Group, together with other multilateral development banks and the IMF, committed to use billions in investment funding, aid, and grants, in innovative ways to catalyze trillions in financing of all kinds.

• In Hamburg in 2017, the G20 reinforced the MDB’s role in catalyzing development finance.
Implementation:
Harnessing Technological Transformation for SDGs
Every SDG can be Powered by Technology

3. Good Health and Well-being
E-health can serve some of the neediest patients in the world’s hardest to reach places.

4. Quality Education
Digital education creates classrooms at scale and connects world-class teachers to students who need them most.

7. Affordable and Clean Energy
Digital payments and monitoring enable off-grid, renewable energy sources to be deployed years in advance of traditional approaches.

8. Decent Work and Economic Growth
Digital financial services provide new opportunities for SME savings, credit, and insurance thereby spurring expansion.

Source: International Finance Corporation
Digitization is nascent in emerging markets

*4 billion people are currently not participating in the digital economy*

At the same time, digital divide could make life worse for poor people.
World Bank Group is embarking on an ambitious journey to harness Science, Technology and Innovation in all sectors and client countries

Given uncertainty, risk, and opportunities of exponential technology trends, the World Bank Group is one of the few global actors who can serve as a trusted advisor to clients and partners in supporting the implementation of new sustainable pathways to development.

To realize this aspiration, we need to: engage governments and people, coordinate development partners, and mobilize the private sector to:

**Build**: Develop the foundational building blocks for sustainable, technology-led economies

**Boost**: Expand the capacity of people and institutions to thrive in a resilient society in the face of disruption

**Broker**: Harness disruptive technology, data, and expertise to solve development challenges and manage risks
How will Manufacturing-led growth change for World Bank Group Client Countries?

Building Partnerships for SDGs
Launching in October during World Bank Group Annual Meetings Building blocks of the 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?
Mainstreaming SDGs into National Frameworks
Korea’s Voluntary National Review to the UN

Third Basic Plan for Sustainable Development 2016-2035 is endorsed by the Prime Minister outlines 14 strategic targets around four goals including

• healthy land
• integrated and safe society
• inclusive creative economy; and
• global prosperity.

Harnessing 4th Industrial Revolution for SDGs

Korea

• President Moon Jae-in emphasized the importance of the Fourth Industrial Revolution where “innovative growth is our new government’s core strategy for economic growth”

• Korea plans to invest more in the Internet of Things (IoT) and artificial intelligence (AI) and big data which form the basic structure of the fourth industrial revolution

• As a global leader in technology and innovation, the world will be looking up to Korean businesses to lead 4th Industrial Revolution for SDGs

[ILLUSTRATED BY BAE MIN-HO]

Credit: Korea JoongAng daily
World Bank Group Korea Offices
Partnerships with Korean Government, Institutions and Corporations

Operational Support & Strategic Partnerships
- Strategic partnership with Ministry of Economy and Finance (MOEF)
- Support WBG operational teams to leverage Korea’s development experience and Korean partnerships to enhance development effectiveness
- Connector between Korean institutions and WBG units
- Collaborate with Korean partners to share knowledge & experience with WBG clients

Private Sector Engagement (IFC)
- Partner with Korean companies to increase access to finance; infrastructure; inclusion
- Co-invest with Korean companies in clean energy; water and wastewater; green cities
- Bring new capital markets products and services into markets

Risk Mitigation Guarantees for Overseas Investments (MIGA)
- Provide risk mitigation solutions in the form of guarantees to Korean corporates and financial institutions for their investments into developing markets
- Collaborate with Korean export credit agencies to complement sources of investment
The SDG Fund will:

1. Build and strengthen capacity and awareness among development actors and institutions for implementing the Sustainable Development Goals;

2. Stimulate the development of strategic analytical tools for solving SDG challenges; and,

3. Promote multi-stakeholder partnerships, both within the World Bank Group and with other development stakeholders, recognizing that partnerships underpin all other objectives.
Thank You

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Mahmoud-Mohieldin on LinkedIn

Mahmoud Mohieldin Senior VP

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