

**Remarks by**  
**Ambassador E. Courtenay Rattray**  
**Round Table B:**  
**Domestic and international private business and finance (Action Area B)**  
**New York**  
**24<sup>th</sup> May 2017**

Excellencies, Distinguished Delegates, Dear Colleagues,

It is a pleasure for me to join this panel to share some of the work that is being done by the Permanent Representative of Canada to the UN (Ambassador Marc-Andre Blanchard) and myself, through the Group of Friends of SDG Financing.

The overarching aim of the Group of Friends of SDG Financing is to provide a platform for member states, the private sector and other stakeholders to discuss and promote solution-oriented ideas that unlock the funds needed to finance the SDGs.

Central to these efforts to unlock capital has been finding ways of overcoming the pervasive culture of short-termism that discourages the kinds of investments needed to achieve the SDGs and instilling a more long-term orientation within global capital markets. Bridging the gap between New York and capitals is also one of the central means by which the Group of Friends seeks to achieve its objectives.

**Initial Work Plan:** The Group intends to achieve its aim through a three-phased process:

- Phase 1: Analysis / Assessment – through a series of discussions with experts, this initial phase would consist of getting New York-based members to identify the areas of greatest opportunity.
- Phase 2: Interaction – this phase would consist of interactive discussions between the representatives of member states, the private sector and other stakeholders on a series of specific topics or buckets to generate solutions to the challenges related to financing the SDGs that are both technically sound and politically feasible. Key players in each of the issue areas will be invited to participate.

- Phase 3: Action through Partnership – this phase would consist of promoting the output and findings of the group and partnering with relevant actors to pilot particular solutions on a voluntary basis. Successful pilot initiatives would be promoted for broader mainstreaming internationally through relevant international bodies, such as the G20, OECD, regional institutions such as the African Union and UN fora.

### **What have we done so far?**

The Group has had four meetings to date, all of which have focused on the first phase of the Group's Initial Work Plan. Over our first series of meetings, we have covered a lot of ground. To briefly summarize:

At our first meeting we heard from Dr. Tomica Tillemann who provided us with a framework that described the SDG financing gap as largely being the product of an analytics gap concerning the awareness of investment opportunities that exist in sustainable development-related activities and a regulation gap that discourages the flow of capital into these sustainable development sectors.

We also heard from Dr. Simon Zadek who described the work UNEP was undertaking as part of its Inquiry into the Design of a Sustainable Financial System, and from Dr. David Nabarro who reminded us of the urgency of our task.

At our second meeting, we heard from Edelman USA's President and CEO Russell Dubner who illustrated the very significant crisis of trust among the general population in government, media, private sector and civil society institutions as well as the tremendous reservoir of trust the UN continues to enjoy worldwide.

And we heard from BlackRock Real Assets Group's Managing Director and Global COO Anne Valentine Andrews who argued that there was more than enough capital in the world to

finance the current infrastructure gap; the key ingredient that was missing is the lack of expertise in designing, structuring and packaging projects and bringing them to the market – an expertise gap the UN could have an important role in bridging.

At our third meeting, we heard from FCLT Global CEO Sarah Williamson who described the tremendous economic cost of the prevalence of short-termism in the private sector, estimated at \$1 trillion in GDP and 5 million jobs over the past decade in the US alone. The UN, she suggested, has a role to play by putting the issue of long-term value creation on the global agenda.

We also heard from Tracy Nowski of McKinsey & Company and Jyoti Chopra from BNY Mellon who spoke about the \$28 trillion in GDP we collectively lose every year for failing to achieve true gender parity.

We also heard from Deputy Secretary-General Amina Mohammed who underscored Secretary-General Guterres' commitment to reform the UN, particularly the UN Development System, to ensure it was fit-for-purpose for the 2030 Agenda.

At our last meeting, we were joined by Gavin Wilson, the CEO of the IFC's Asset Management Company as well as three of the top practitioners of Blockchain technology.

We also had the opportunity to have Canada's Deputy Minister of Foreign Affairs, Ian Shugart, join us at that meeting.

### **Future Initiatives/Phase 2**

Consistent with our objectives for the GoF, the last meeting deliberated on a list of topics for consideration as future areas of focus of the group when it re-convenes in early June.

In principle, we foresee the group focussing on two tracks; one a broad, macro theme for which the role of the group would be to raise awareness and through the convening power of the UN promote it onto the global political agenda. The other a more focussed effort that seeks to leverage existing efforts as well as the UN system to address specific bottlenecks in developing countries preventing the financing of SDG-related investments.

Looking ahead over the next 18 months or so, we see a number of opportunities in which to make progress on financing the SDGs, particularly as it relates to unlocking the private sector capital in a significant way as to really move the dial from billions to trillions.

These include this and next year's HLPF and high-level segment of the UN General Assembly, the World Bank and IMF's annual meeting in October, the World Economic Forum next January, as well as the FfD related events that will be taking place throughout the year at the UN.

In addition, as some of you may know, Canada is conveniently the President of the G7 in 2018 which provides another valuable opportunity to move this agenda forward.

As I have laid out, there is much to do and much that is being done. Ambassador Blanchard and myself are encouraged by the responses to the efforts of the GoF thus far. We anticipate that over the coming months, as we enter the second phase of the Work Plan, more concrete gains will be achieved.

I thank you.