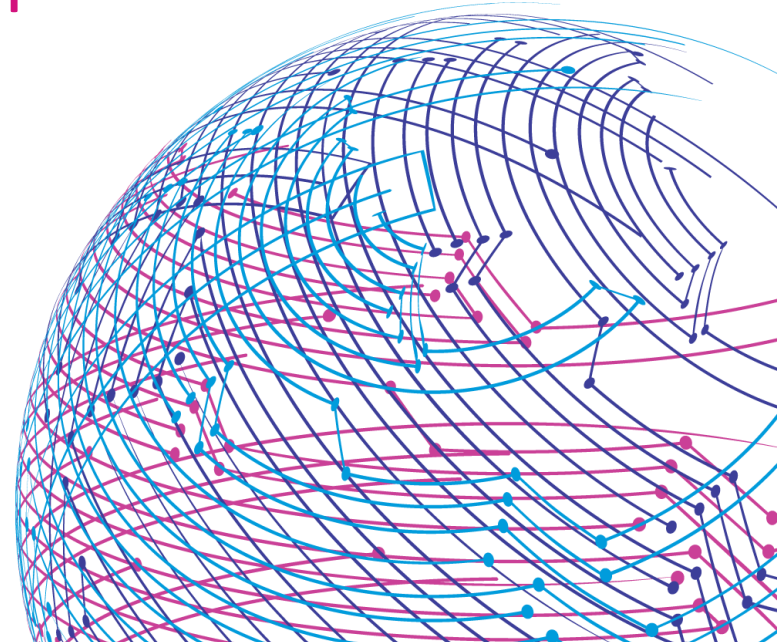


# How Business can Help Achieve SDGs

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# Breadth of the Sustainable Development Goals



A decorative graphic on the left side of the slide consisting of several overlapping triangles in shades of purple, pink, and blue.

# Inclusive and Sustainable Industrial Development (ISID)

- UNIDO's motto – ISID – inspires its contribution to economic development
  - ISID aims to ensure that industrialization is inclusive and sustainable
  - That no one is left behind
  - Three pillars – advancing economic competitiveness; creating shared prosperity and safeguarding the environment
  - Enablers for ISID are: technical cooperation, analysis and research; standards and compliance; convening and networking
- 
- A faint, abstract graphic in the bottom right corner depicting a network of interconnected nodes and lines, resembling a globe or a complex web.

## Role of Business in Achieving ISID

- All companies are members of the industrial sector
- All companies have a responsibility to
  - Uphold internationally recognized minimum standards
  - Respect universal human rights
- The Global Compact has developed tools for business operators providing them with guides on how their businesses can make meaningful contribution
- UNIDO uses many of these tools in its technical cooperation programmes targeting SMEs, women entrepreneurs and business associations.
- UNIDO's ties with big business focus on partnerships to facilitate industrial cooperation between large and small firms



# SDG Opportunities in ISID INSTITUTE

## Economic Competitiveness

- Improve technology
- Adopt international standards
- Improve efficiency of business operations
- Adopt established good employment practices
- Improve sustainability – energy efficiency, waste minimization

# Shared Prosperity

- Promote women's empowerment
- Jobs for the youth
- Invest in low cost equipment e.g. for housing
- Build the capacities of suppliers and retailers

# Environmental Sustainability

- Improve use of renewable energy
- Improve energy efficiency
- Reduce waste
- Recycle and reuse

# Where does Business Fit in?

- Increasing consumer awareness demands sustainable business practices
- As evidenced by PWC's "Making It Your Business: Engaging with the SDGs" Report.

## ***SDG Survey Results***





# Where Does Business Fit in?

- PWC Survey-The Role of Business in Society.
- CEOs more aware that the economic benefits of business must be underpinned by ethical business practices.

***Business has a fundamental role in the delivery of a thriving society in a thriving environment***



84% of CEOs said that they are expected to address wider stakeholder needs



76% of CEOs say business success is about more than just financial profit

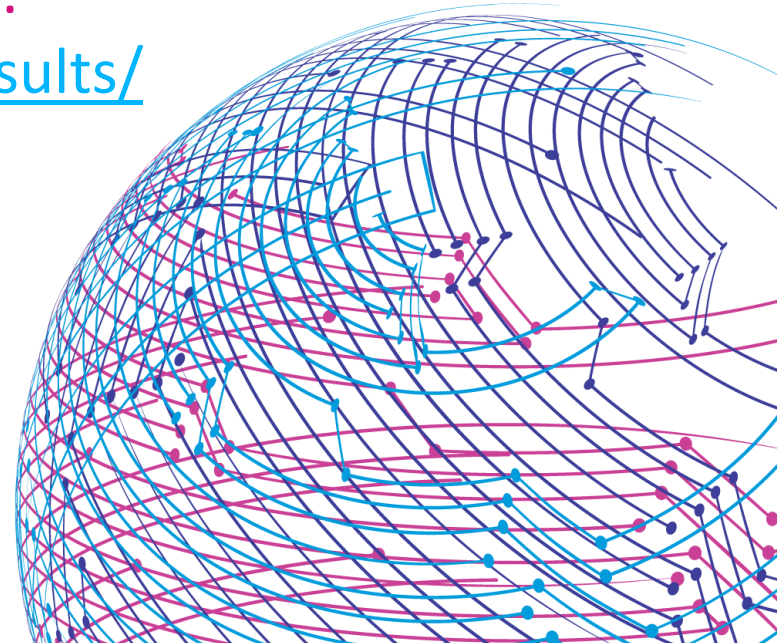


52% of CEOs say creating value for wider stakeholders drives profitability

# Where does Business Fit in?

Edelman's Trust Barometer 2017, 75% agreed that 'a company can take specific actions that both increase profits and improve economic and social conditions in the community where it operates'.

<http://www.edelman.com/global-results/>



# Some tools for use by Business

[SDG Compass](#) - suggests a four step approach:

1. Familiarize yourself with the SDGs
2. Assess the positive and negative, current and potential impact of the SDGs across your own value chains
3. Set goals to demonstrate your commitment to the SDGs (e.g. by embedding appropriate development targets across all functions within your business)
4. Report and communicate your progress.



# The SDG Reporting Mechanisms

- High Level Political Forum (HLPF)- monitoring and reporting of progress on SDGs, 10-19 July 2017 in New York
- Focus on
  - **1** (poverty);
  - **2** - (hunger, food security, improved nutrition, sustainable agriculture);
  - **3** - Ensure healthy lives and promote well-being for all at all ages;
  - **5** - gender equality, women's empowerment);
  - **9 - infrastructure, inclusive and sustainable industrialization, innovation);**
  - **14.** (Sustainably use of oceans, seas)



## Reporting Mechanisms

- Country, regional and global reporting, 44 voluntary national reviews.
- Partnerships for **SDGs Online Platform**:
  - DESA tool to inform all stakeholders on initiatives carried out by multi-stakeholder partnerships in support of the Sustainable Development Goals (SDGs), and for linking progress of those initiatives to various follow-up mechanisms of the 2030 Agenda, in particular to the High-level Political Forum on Sustainable Development (HLPF).
- UN Private Sector Forum, 18 September 2017



# HPLF 2018 and 2019

## 2018

- **Goal 6** – Clean water and sanitation
- **Goal 7** - Affordable and clean energy
- **Goal 11** - Sustainable cities and communities
- **Goal 12** – Responsible consumption and production
- **Goal 15** – Life on land

## 2019

- **Goal 4** – Quality education
- **Goal 8** –Decent work and economic growth
- **Goal 10** – Reduced inequalities
- **Goal 13** – Climate action
- **Goal 16** – Peace & justice, strong institutions

# How Can Business Improve Sustainability?

## **Sustainable Products** ← **Sustainable Production**

- Sustainable vehicles
- Resource efficient machinery
- Renewable energy infrastructure
- Home and office energy efficiency
- A circular economy mindset in product design (reuse and recycle)
- Incorporate innovative technologies into production (e.g. 3D printing)
- Reduce, reuse and recycle water, raw materials, inputs, waste
- Increase the proportion of renewable energy in production

# Redesigning Manufacturing Chains

## Low Cost Products ← Enterprise Development

- Low-cost medical devices and medicines
  - Durable low-cost water pump and sanitation technologies
  - Low-cost agricultural machinery
  - Efficient microgrid technologies for electrifying rural communities
- Team up with governments and other companies in industrial zones
  - Increase the proportion of locally sources components and inputs
  - Collaborate with small and medium-sized businesses



# Going SDG by SDG – what can Business Do?



INSTITUTE

## SDG 1 – Reduce Poverty

- Allocate R&D resources for developing regions
- Build the resilience of suppliers and retailers
- Increase the proportion of locally sourced and produced products
- Thus support local job and enterprise creation

## SDG 2 – End Hunger

- Develop agribusiness machinery, tools and industrial processes which lead to more efficient farming practices
- Devise more effective and low-cost irrigation systems
- Advise famers on how to improve productivity, storage, logistics and sustainability

# SDG by SDG – what is business to do?

## SDG 3 - Healthy lives

- Invest in developing low-cost medical devices and healthcare
- Improve working conditions
- Invest in employee healthcare services and insurance
- Invest in safety and resilience of staff in locations with high disaster risk – draw up disaster risk mitigation plans

## SDG 4 Quality Education

- Invest in vocational and university STEM education (science, technology, engineering & maths)
- Provide training to component & raw material suppliers
- Team up with NGOs, other companies to improve learning in countries within the company's value chain

# Going SDG by SDG

## SDG 5 – Gender Equality

- Adopt plant facilities processes & culture which increases recruitment and retention of women
- Include more women-owned companies in the supply chain
- Increase the number of women on company boards and in senior roles
- Invest in policies & programmes to support women in the workforce
- Partner with other organizations in this effort

## SDG 6 – Clean Water & Sanitation

- Implement closed loop manufacturing processes and replace wet-machining with dry-machining processes
- Improve water treatment facilities and processes; recycle wastewater
- Invest in precision agriculture equipment (e.g. drip irrigation).
- Integrate community access to water in areas with limited water resources
- Develop low cost water pumps and sanitation technologies designated for low-income regions.

# Going SDG by SDG

## SDG 7 – Clean Energy

- Develop compelling new energy infrastructure & technologies
- Manufacture machinery, vehicles, and aircraft that run efficiently on sustainable energy sources
- Develop more efficient microgrid technologies
- Increase the proportion of renewable energy consumed
- Support suppliers in adopting renewable energy technologies

## SDG 8 – Decent Work

- Increase local sourcing and manufacturing, where feasible, to reduce poverty and create jobs
- Promote high standards of health and safety in manufacturing facilities and extraction sites
- Integrate small component producers into supply chains and provide training, support access to finance
- Provide targeted internships for disadvantaged youth

# Going SDG by SDG

## SDG 9 – Industry, Innovation & Infrastructure

- Collaborate with governments to create industrial zones which unlock investments in infrastructure, technology and production
- Research, develop and manufacture environment-friendly construction materials
- Develop innovative financing strategies to enable people on lower incomes to buy building materials, e.g through microloans
- Engage with governments in high-growth markets to determine ways in which more sustainable building products, transportation solutions can promote economic development.

## SDG 10 – Reduce Inequalities

- Provide opportunities for lower-paid workers to develop skills and gain access to improved employment
- Pay staff a living wage and encourage other firms in the value chain to follow suit
- Adopt equal opportunity policies prohibiting discrimination in all its forms and encourage others in the value chain to do the same.
- Act on SDGs 1, 2, 3, 4, 5, 6, 7, 8, 9, 11 and 12.

# Going SDG by SDG

## SDG 11 – Sustainable Cities & Communities

- Develop products which improve energy efficiency in homes and offices – lighting, ventilation, heating, air-conditioning.
- Develop innovative low-cost construction materials
- Develop and market sustainable transport solutions, especially public systems
- Collaborate with governments to improve urban safety, bring greater connectivity and energy efficiency.
- Build with natural or green infrastructure.

## SDG 12 – Responsible Consumption & Production

- Design and produce machinery and vehicles with lower fuel consumption, lower water use and are less polluting
- Factor an internal carbon price into capital project decisions
- Apply the concept of circular economy with recycling and reuse at the end of the products “life”
- Develop and implement improved processes to reduce, reuse and recycle water, raw materials, non-renewable minerals and other “waste”
- Find ways to reduce fossil fuel combustion in industrial plants

# Going SDG by SDG

## SDG 13 – Climate Action

- Identify and evaluate climate change risks to the business (such as resource scarcity, resource price volatility, loss of life and property) and take appropriate action
- Design and implement natural disaster risk mitigation preparedness, response and recovery plans at industrial plants and facilities in high risk areas
- Set science-based carbon emission targets in line with the sectoral decarbonization pathway and encourage suppliers to do the same
- Take steps to measure, reduce and report climate exposure and progress on actions to confront climate change
- Support high level partnerships and industry associations advocating for responsible public policies on climate change

## SDG 14 – Life Below Water

- Design pump and other machinery for deep sea mining which minimize the risks of marine spillages and contamination
- Design components for marine vessels that minimize the risk of marine pollution
- Collaborate with other stakeholders to collect and utilise marine plastic waste (plastic bottles, discarded fishing nets) in product manufacturing
- Implement improved waste treatment systems to avoid releasing pollutants into the natural environment
- Ensure supplier and distributor companies shipping goods by sea adhere to environmental standards on marine shipping

## SDG 15 – Life on Land

- Only use wood from certified sustainable sources
- Manufacture printers with environmental features (such as those that reduce paper usage)
- Develop and manufacture soil-friendly technologies for heavy agricultural machinery, such as low-pressure tyres that stop incremental soil compaction over time.





## SDG 16 – Peace, Justice, and Strong Institutions

- Identify and assess risks of conflict minerals in supply chains by identifying suppliers of 3TG metals (tin, tantalum, tungsten and gold) and designing a necessary due diligence process to ensure reliability of sustainability claims covering human rights, labour, anti corruption and the environment.
- Design and implement a robust anti-bribery and corruption compliance programme
- Demonstrate ethical leadership by publishing a statement on human rights consistent with the UN Guiding Principles on Business and Human Rights and sign up to the 10 principles of the UN Global Compact

## How Can Businesses Work with UNIDO?

- **Global Manufacturing and Industrialization Summit (GMIS)- 27-30 March 2017, Abu Dhabi, UAE.**
- The inaugural Summit offers a voice and a venue for leaders with a vision to shape the future of manufacturing with an audience of over 1,200 delegates expected to attend, including Heads of State, Government Leaders, Ministers, Policy Makers and C-Suite Executives from Global 2000 Companies.
- Series of international GMIS roadshows already held, including in Vienna last November.
- Expected to become a regular event to steer advanced manufacturing.



## How can Business Work with UNIDO?

- **Vienna Energy Forum- 9-12 May 2017.**
- Theme of “*Sustainable energy for the implementation of the SDGs and the Paris Agreement*”. VEF 2017 will highlight the multiplier effects of integrated approaches for sustainable development at the national, regional and global levels.
- **Sustainable energy nexus** - linking energy to water, food and health - as well as **innovation** as a global driver for accelerated sustainable growth.



# How can Businesses Work with UNIDO?

- **UNIDO Institute for Capacity Development** focuses on the innovation, development and transfer of knowledge, particularly on issues such as industrial policy, manufacturing, environment and trade capacity-building.
- We provide services such as:
- **Training and Education activities** aimed at increasing the knowledge and skills of member countries' government officials, policy makers, researchers, young professionals and other stakeholders.
- **Knowledge Sharing activities and dissemination** of UNIDO experiences to academics, industrial development policy makers, practitioners and other shareholders.

## How Can Business Work with UNIDO?

- **Policy Dialogue support activities** aimed to facilitate the exchange of ideas and to develop effective communication channels between experts, government officials, senior policy makers, academics and other stakeholders, in order to ease the flow of research findings and solutions to industrial policy challenges
- **Strategic Networking and Partnership** to link UNIDO's activities with appropriate partner institutions (such as universities, research centres, think-tanks, consulting companies) with an expertise in the field of sustainable industrial policy design and management, and to create an international community of practice on industrial development issues.

# Prioritizing SDGs for Business

- Align with national development priorities or development cooperation priorities
- Austrian development cooperation focus areas are:

Humanitarian Aid	Private Sector Development
Gender Equality	Good Governance, Human Rights, Migration
Environment & Climate Change	Peace-Keeping
Water, Energy, Food Security	Education

# Selecting SDG Priorities for Business

## Use the respACT criteria:

- Urgency of the problems – globally, regionally, locally
- Relevance for Austria
- Attractiveness to the businessperson/entrepreneur/CEO
- Short-term visible impacts
- Longer term innovation driver

