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Roundtable 3: Means of Implementation & Global Partnership for Sustainable Development

Opening Statement by Anastasia L. Thatcher, Accenture Development Partnerships

I. Introduction

- Good morning. It is a pleasure to be here, with so many distinguished representatives from member states, civil society, business, and the UN.
- I am Anastasia Thatcher, from the strategy and technology consulting firm, Accenture.
- I lead a very special global practice - dedicated to designing, facilitating, and measuring partnerships for sustainable development impact. We have supported hundreds of multi-sector collaborations and more than 40 development partnerships.
- Having sat on the same side of the table as INGOs, governments as well as companies, I wish to share some reflections on role the private sector to achieve the SDGs and what “Global Partnership for Sustainable Development” could mean.

II. About the Private Sector

- First, let’s briefly define the “private sector” - a vast and differentiated group of organizations – as different as the public sector organizations and CSOs represented here today.
- We speak of multi-national companies, national companies, social ventures, and small and medium enterprises.
- These companies range along a continuum – from those that have the leadership and structures to align their full resources with the SDGs, to duplicitous businesses that think in the very short term and often erode human rights, natural resources, and social good.
- In short, I urge you not to lump all private sector into one category.
- *Successful* businesses are those that generate profit not at the expense of society, but instead linked to the very value they create for society. Such successful businesses will be vital actors in achieving the SDGs – and we need to nurture their inclusion while making the existence of any other kind of business untenable.

III. Why the SDGs Matter to Business

- Making progress against the goals will unlock new markets, talent and suppliers; protect valuable natural resources; and will ensure good governance. These are the critical inputs for a successful business – and increasingly matter to customers and investors.
- Every 2 years Accenture and the Global Compact surveys more than 1000 global CEOs on sustainable development – as of 2013, 84% believe business should take a leading role to deliver against priority global issues, but only 1 in 3 think business is currently doing enough.
- The SDG framework provides companies a useful entry point to close that gap. Its universality opens up space for business to drive market based solutions, particularly in the middle of the economic pyramid, which could efficiently address unmet needs for billions.

- And, at the end of the day – the SDGs matter to business because companies are simply made up of people, who live on this planet, who have children and want them to grow up in a just world, with the resources they need for a fulfilling life.

IV. Means of Implementation

- Business's role falls broadly into two categories: the contribution of (1) private sector resources and (2) private sector approaches.

Resources

- "Resources" does not just mean money – but what money can buy. Sometimes, business's greatest contribution can be their products, services, expertise and scale.
- Indeed, we must leverage private sector pragmatism and know-how – from procurement to logistics, from marketing to product design, from operations to big data analytics – if we are to achieve the SDGs.
- But even so, I cannot diminish the need for significant financial resources, on the order of \$2-3 trillion dollars, and private sector capital will be key to mobilize.
- There is an estimated \$50B of private impact investments today, with another \$13B coming online last year. Private capital advances a "pay for performance" mentality, investing in outcomes rather than inputs.
- Currently, only 1% of investors reporting underperformance on impact measures, while 20% reporting outperformance.

Private Sector Approaches critical within MoI

- Business is engaged in the development agenda beyond corporate responsibility efforts, that sit outside the business, but are starting to explicitly and consciously design their core business itself to work in alignment with the goals.
- This reorientation of business operations is an incredibly interesting and impactful space. It speaks to stronger governance to eliminate harmful practices as well as business models that actively create positive social and environmental returns.
- The opportunity for business's core purpose to align to the SDGs is clear, such:
 - Job creation: 9 out of 10 new jobs are created by the private sector (World Bank)
 - Social services: the private sector provides up to 80% of healthcare in developing countries today, education on the rise in many places
 - Capacity building: limitless opportunities to transfer technology and nurture local industry development in transitional economies
- Despite these facts, many still believe that development remains the exclusive domain of government and civil society.

V. Global Partnership

- Which brings me to my final topic, Global Partnership – a goal that I believe embodies three sentiments.

- First, the Global Partnership represents a mind-shift – that we are all in this together and we must work in a global partnership of the highest order. The CEO of DSM, a nutrition company I quite admire, said it best: “We cannot succeed in a world that fails.”
- Second, the Global Partnership refers to the need for more formal multi-sector global organizations – like GAVI, the Global Fund and others – that can pool funding and coordinate investment. And there’s no doubt we need more such nodes for global agenda-setting and aggregation efforts.
- But the notion of Global Partnership hopefully also refers to the proliferation of local level nodes, multi-sector collaborations which take a wide variety of shapes, sizes and formats. The organic growth and diversity of partnership models is incredibly encouraging. This is where we will see local innovation tailoring solutions to local needs and actors.
- We need to foster such experimentation and innovation in partnerships – to find a multitude of models that are fit for purpose to respond to the local level needs and incentives.

VI. Conclusion

- While my comments focused on the private sector, strong government and civil society are absolutely necessary.
- Government must create an “enabling environment” and a level playing field. First and foremost this means establishing rule of law and political stability.
- Further, governments need to price on carbon, mandate transparent reporting standards, and create strong social safety nets.
- It is my personal view that to optimize the private sector’s contribution to sustainable development, governments need to do more to regulate transfer pricing and capital flight, appropriately tax businesses, efficiently redistribute income and wealth, and provide incentives for full employment.
- Likewise, civil society must continue to focus on the most poor and vulnerable – populations that market-based approaches and even the public sector often struggle to reach.
- CSOs bring tremendous insights on how to reach people in the “last mile,” what their needs and preferences are, and how they make their daily choices.
- Most importantly CSOs serve as society’s conscious – we all need their moral compass to ensure that social justice and universality of access and opportunity is truly achieved.
- At Accenture, we believe people will increasingly seek out those organizations that provide the most value for their lives, regardless of sector. In the future, perhaps there will not even be three distinct sectors but rather networked platforms of actors, an ecosystem we call the “4th sector,” that brings together the capabilities and resources to create sustainable, systemic change for good, for all. Thank you.