



## Financing Sustainable Transformation: how industry and sustainability can come together

---

At the halfway point to the 2030 Agenda, vulnerable countries have been left reeling by multiple global shocks. The war in Ukraine, sharp increases in food and energy prices, and rapidly tightening financial conditions have increased hunger and poverty and reversed progress on the Sustainable Development Goals (SDGs).

SDG financing needs are growing and timely investments in sustainable industrial, energy and digital transformations are imperative to get the world back on track. [The 2023 Financing for Sustainable Development Report: Financing Sustainable Transformation \(2023 FSDR\)](#), to be launched on 5 April, will argue that countries need a new generation of industrial policies to put the global goals within reach.

The development of eco-industrial parks is an example of how countries can scale up both environmental sustainability and industrial development. [MM 2100 Industrial Town](#) is a newly developed eco-industrial park outside of Jakarta built with the support of the United Nations Industrial Development Organization (UNIDO) and donors. MM 2100 employs

100,000 workers in its 805-hectare site with latest initiatives including a composting programme and state-of-the-art wastewater treatment.

Ms. Susi Rahmawati, Manager of Customer Service and Legal Affairs, is especially proud of the “vocational training school, maintained by our tenant companies on a voluntary basis” where, she notes, 2500 students “increase their employability, whether at one of the park’s companies or beyond”.

Making industrial parks greener and more socially responsible is an important step towards a sustainable economy. Eco-industrial parks are an example of the new generation of industrial policies that the *2023 FSDR* argues are needed to provide a pathway towards sustainable growth.

Beyond these policies, the *2023 FSDR* will also argue for reform of the international financial architecture, so that the international environment better enables achievement of the SDGs. The report will also analyse international progress on finance topics such as debt relief, aid delivery, science and technology, taxation, banking regulation, and sustainable public and private investment, and set out concrete recommendations for Member States.

The *2023 FSDR* will serve as the main substantive input for the [ECOSOC Forum on Financing for Development](#) taking place in New York from 17-20 April. The FFD Forum will bring together representatives from governments, civil society, and the private sector to discuss how to urgently increase investment in sustainable development, reform the international financial architecture, and support a new generation of sustainable industrial policies.

An [SDG Investment Fair](#) will also take place from 18-20 April, providing a platform for sustainable investment opportunities that support the achievement of the SDGs. Now on its 8th year, the Fair will connect investors, private and public institutions, and representatives from UN agencies to facilitate dealmaking and provide funding and technical support in SDG-related investment projects.

The 2023 Financing for Sustainable Development Report will be available on 5 April at [developmentfinance.un.org/fsdr2023](https://developmentfinance.un.org/fsdr2023).



## EXPERT VOICES



**“I am using my voice to speak up for my community and country”**

Ahmednoor Haji is a Kenyan youth advocate who runs The KESHO Alliance, an award-winning organization that promotes and advocates for quality education, youth and women empowerment, and peace and security. This month, Ahmednoor will take part in the

ECOSOC Youth Forum to be held in New York from 25 to 27 April. At this event, his strong voice is expected to mobilize youth action to achieve the Sustainable Development Goals (SDGs).

**1. Tell us about yourself and how you are part of efforts to realize the Sustainable Development Goals (SDGs).**

"I am a young person at the forefront of advocating for quality education and community-based peacebuilding initiatives in Kenya. Through The KESHO Alliance, I promote access to education for girls in patriarchal and marginalized communities, retention of students and pupils in pastoral communities, early childhood education, and young people's involvement in peace processes and governance. Where I come from, almost 74 per cent of the population is illiterate, a majority of them being children, youth and women. Most girls and women also suffer from gender-based violence, and most youth have fallen victim to extremism and drug use. Since 2019, through other partners and my organization, we have been supporting girls from families in need, with high school scholarships to promote girls' education and mentorship programmes for students that aims at retention. My community-based approach to promoting principles of peace and good governance involves bringing everyone from the crossing lines and bridging the gap.

My work has seen me collaborating with partners like the UN Sustainable Development Solutions Network (SDSN) where I worked as one of the SDGs advocates from Kenya training educators and students on how to incorporate sustainable development into the school curriculum.

Furthermore, I am also a Global Youth Ambassador where I campaign for the right to education in my community, country and beyond. My effort to promote youth participation in peace processes has gone beyond my community and I am now steering The Kenya Coalition on Youth, Peace and Security, which for me is an opportunity to not only coordinate but build peace together and create different schools of thought in Kenya."

**2. The ECOSOC Youth Forum is one of the largest gatherings of young leaders from around the world. What impact can this event have on you and your efforts?**

"Being a community worker, I have always felt that my work at the grassroots level is not felt at both national and global levels. The ECOSOC Youth Forum is an opportunity for me to use my voice and speak up for my community and country. Mostly young people like me from marginalized communities do not get the chance to speak for themselves, hence our stories are told by other people who do not represent us. I see the ECOSOC Youth Forum as an advocacy platform where I can fight for my cause, present solutions to policymakers and hold my government accountable. More than ever, my work will have a direct impact on policy-making and decision-making related to the Sustainable Development Goals.

This is also an opportunity for me to learn and collaborate with key people working towards the 2030 Agenda and bring this expertise back home to support my community and country."

**3. What would you like to say to young people around the world; what can they do to help realize the SDGs?**

"Young people are key stakeholders in the SDGs. If they are not part of it then it will be impossible to achieve the 2030 Agenda. If we keep ourselves outside because we are not invited or not included we will still be marginalized. We need to see how big we are in building a sustainable and safer world for all. Fight for what you stand for, hold your government accountable for their commitment to the SDGs and use your voice to demand actions on the Goals."

For more information: [UN ECOSOC Youth Forum 2023](#)

Ahmednoor Haji is a Kenyan youth advocate who runs The KESHO Alliance, an award-winning organization that promotes and advocates for quality education, youth and women empowerment, and peace and security. He is also steering The Kenya Coalition on Youth, Peace and Security which coordinates youth efforts in the implementation of UN Security Council Resolution 2250 which urges Member States to consider ways to give youth a greater voice in decision-making at the local, national, regional and international levels.



## THINGS YOU NEED TO KNOW



### 4 things you need to know about financing our future

---

Insufficient financing remains one of the greatest bottlenecks preventing the world from achieving the Sustainable Development Goals (SDGs). To turn things around and to boost momentum towards financing our future, several major events will take place this month,

including the ECOSOC Financing for Development Forum on 17-20 April, and the SDG Investment Fair on 18-20 April. Here are four key issues you need to know:

#### 1. Debt

With global financing conditions tightening, large debt payments due in the coming years, and the current international financial architecture poorly prepared to deal with widespread sovereign debt distress, the global outlook is extremely concerning. Nearly 60 per cent of the poorest countries are in debt distress or at high risk of debt distress.

#### 2. Development cooperation

[Development cooperation](#) has a crucial role to play in rescuing the SDGs. Enhanced access to reliable, predictable below-market rate financing to support developing countries' long-term resilience is especially important for countries facing multidimensional structural vulnerabilities.

#### 3. SDG Stimulus

In February 2023, the UN Secretary-General proposed an [SDG Stimulus](#) of at least \$500 billion per year, aiming to tackle the high cost of debt and rising risks of debt distress; massively scale up affordable long-term financing for development; expand contingency financing to countries in need; and advance towards a reformed international financial architecture.

#### 4. SDG Investment Fair

The [Fair](#), launched in 2018, serves as a platform to showcase country-level initiatives and investment opportunities, especially in developing countries. Since 2018, seven SDG Investment Fairs have been held; US\$ 11+ billion worth of project investments have been

pitched in infrastructure, green energy, and agribusiness; and 22 countries and over 1200 key actors have participated. Register to join [here](#).

For more information: [Financing for Sustainable Development Office](#)



## We must secure financing to prevent a sustainable development divide

*By Navid Hanif, Assistant Secretary-General for Economic Development*

Our world is experiencing unprecedented multifaceted crises that threaten the implementation of the Addis Ababa Action Agenda. Many developing countries are still coping with the scarring effects of the COVID-19 pandemic making their economies recover at a very slow pace. While the war in Ukraine poses a serious threat to global peace

and security, it also caused a significant increase in food and energy prices that are unsustainable for the most vulnerable populations around the world.

Climate change has increased the frequency of natural disasters and is imposing a great toll on the most vulnerable countries whose financing needs keep growing. These compounding effects led to the tightening of the global financial system, meaning that money has become more expensive to obtain for firms, governments, and households. As a result, the financing gap for the Sustainable Development Goals (SDGs) keeps widening.

The forthcoming 2023 Financing for Sustainable Development Report emphasizes that development prospects continue to diverge due to uneven financing capacities between developed and developing countries. Developing countries face unsustainable debt burdens and have a narrow margin of maneuver to finance development projects and social protection systems simultaneously, in large part due to an inefficient international financial system.

As an illustration, even before the recent increase in interest rates, least developed countries had to pay from 5 to 8 per cent interest rates to borrow from international financial markets, while many developed countries only paid 1 per cent. In fact, some studies show that most countries that experienced severe debt crises in the past could have been solvent if they had a continuous access to low interest rate financing.

The report further stresses that unless we take immediate action, this “finance divide” will soon translate into a lasting “sustainable development divide” and many developing countries may not achieve the SDGs, including their sustainable industrial transformation.

Financing for sustainable development has never been as important and urgent as it is now. To ensure that more humans around the world live a decent life, it is necessary to scale-up SDG investment by increasing international development cooperation and improving multilateral processes and undertaking important reforms to global economic governance and international financial architecture.

It is precisely to bridge this gap that the UN Secretary-General called for an SDG Stimulus in February 2023. This initiative aims to offset the major setback on SDG progress by creating a favourable and enabling economic and social environment. The Stimulus calls for a significant increase in financing for sustainable development, reaching between \$500 billion and \$1 trillion at the bare minimum by 2025, and puts forward three areas for immediate action:

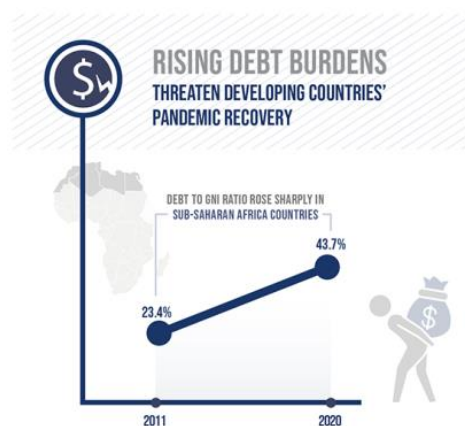
- Explore solutions to reduce the high cost of debt and lower the rising risks of debt distress, including by converting short-term high interest borrowing into long-term (more than 30 years) debt at lower interest rates.
- Significantly increase affordable long-term financing alternatives for development, especially through strengthening and improving the terms of lending by multilateral development banks (MDBs), and by aligning all financing flows with the SDGs.
- Expand contingency financing to countries in need, including by integrating disaster and pandemic clauses into all lending instruments, and exploring how Special Drawing Rights can finance climate mitigation and be automatically issued in times of crisis.

Today's economic realities require a new global institutional arrangement that better address developing countries' immediate needs. A profound reform of the current international financial architecture that goes beyond existing international financial institutions' mandates is sorely needed. Global financial safety nets need to be expanded, sovereign debt restructuring mechanisms must become more efficient, and MDBs and public development banks should play a more important role in financing for sustainable development.

We are at a crossroads and this year's ECOSOC Financing for Development (FfD) Forum, that will take place on 17-20 April, will be of particular importance. All stakeholders need to come together to bring long-term and long-lasting solutions to solve financing for development challenges. The FfD Forum's outcome will provide the basis for high-level discussions on financing for development at the High-Level Political Forum, the SDG Summit, the General Assembly High-level Dialogue on Financing for Development, the ministerial conference on the Summit of the Future and potential first edition of the Biennial Summit between the G20, ECOSOC, the Secretary-General, and the heads of the international financial institutions in 2024. These events will build up to a possible 4th Financing for Development Conference, which Member States decided to consider convening in 2025.



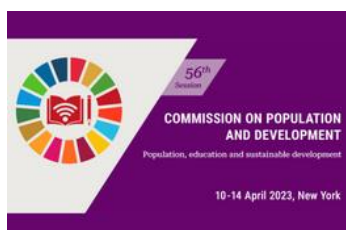
## SDG 17 IN NUMBERS



### MORE FROM UN DESA

- Access to education for a growing population is key to achieving the SDGs
- A rights-based approach to Indigenous issues
- Partnerships and innovation for better data

### COMING UP





[MORE EVENTS](#)

FIND US ALSO ON:



© United Nations Department of Economic and Social Affairs  
[Unsubscribe](#) | [Subscribe](#) | [Contact Us](#) | [Privacy Notice](#) | [Terms of Use](#) | [Copyright](#)