

## ENGAGING THE PRIVATE SECTOR TO ACHIEVE THE SUSTAINABLE DEVELOPMENT GOALS

Views from the OECD Emerging Markets Network (EMnet)<sup>1</sup>

### Partnerships for the goals

17 PARTNERSHIPS  
FOR THE GOALS



Firms recognise that making sense of the Sustainable Development Goals (SDGs) makes business sense.<sup>2</sup> The SDGs encompass the most pressing development challenges today and their universality means that they matter for every market, everywhere. Through its *SDG Action Plan*, the OECD is committed to leveraging its capacity and expertise in a wide range of areas, from data collection to exchange of knowledge.<sup>3</sup> The OECD is also well-aligned with SDG Goal 17 on Partnerships and supports informed dialogue between policy makers and businesses as an essential way to unlock the benefits of private sector action and investment.

The OECD Development Centre's Emerging Markets Network (EMnet), in particular, promotes dialogue with the private sector on development challenges in emerging economies. EMnet brings together top executives, high-level government officials and senior OECD experts to discuss challenges and opportunities for investment in Africa, Asia and Latin America.

EMnet's publication *Business Insights on Emerging Markets 2017* captures what multinational companies engaged in emerging markets find to be necessary to support sustainable development and revive growth, trade and investment, which are essential to achieving Agenda 2030.<sup>4</sup>

The report also highlights how the private sector is engaged with the SDGs.

### Clean energy, improved efficiency and green opportunities

7 AFFORDABLE AND  
CLEAN ENERGY



9 INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



13 CLIMATE  
ACTION



The private sector has a key role to play in scaling up clean and affordable energy and supporting government's as they pursue climate action. Strong commitments from the private sector ahead of the 2015 United Nations 21<sup>st</sup> Climate Change Conference (COP21) contributed to the positive outcome of the Paris Agreement on climate change. In the wake of the Paris Agreement, corporate strategies are changing. For example, in the financial sector, new low-emission projects will be supported by major banks that pledged to scale up financing for renewable energy, green bonds and other low-carbon solutions. Examples of commitments include companies such as Crédit Agricole (dedicating USD 60 billion by 2018), BNP Paribas (lending USD 15 billion by 2020) and Bank of America (USD 125 billion pledged to low-carbon businesses by 2025).<sup>5</sup>

**EMnet members in focus:** Tata Power has become the largest renewable energy company in India with 3 000 MW in renewable energy capacity.<sup>6</sup> Mahindra & Mahindra was the first Indian company to adopt an internal carbon price in 2016.<sup>7</sup>

## Building sustainable, equitable and safe cities



By 2030, nearly 60% of the world's population will live in cities. In Africa, for example, urbanisation is occurring at an unforeseen pace - the population of cities has doubled in 20 years to reach 472 million in 2015.<sup>8</sup> To build more efficient and sustainable cities in Africa, reduce environmental risk factors and create more value-added jobs, investments in infrastructure such as roads, sewage, water systems and in information technologies, are needed. Increasingly, new and innovative business solutions, such as digital technologies for mobile payment systems, can offer opportunities to address the growing issue of the urban informal economy. Foreign firms are also partnering with local companies to provide new technologies. For example the information and communications technology (ICT) provider Huawei is working in partnership with the Kenyan mobile network operator company Safaricom to improve local security in the areas covered by Huawei's Safe City Solution project.

**EMnet members in focus:** Veolia Africa has provided governments throughout the continent with solutions to manage energy supply, clean water and waste services. For example, Veolia's water company *Société d'Exploitation des Eaux du Niger* provided access to water to over 2.7 million people in Niger in 2015.<sup>9</sup>

## Promoting education to support innovation

The supply and demand of skills are often mismatched, constraining growth and development. In fact, Latin American firms are three times more likely than South Asian firms, and 13 times more likely than Asia-Pacific companies, to face serious operational problems due to a shortage of human capital. Skills improvements are needed to support the upgrading and diversification of industries. Improvements in education-industry linkages can be particularly relevant and supportive. Partnerships and alliances between the business community and universities offer a step in the right direction. Firms are already taking steps to build partnerships with universities. For example, French electricity firm Schneider Electric formed a partnership with the French Ministry for National Education, Higher Education and Research and the Escuela Tecnológica Instituto Técnico Central (ETITC) in Colombia. The partnership will establish a training centre in Colombia to enhance skills and promote knowledge sharing in the energy field.<sup>10</sup>

**EMnet members in focus:** ManpowerGroup's annual Talent Shortage Survey highlights the roles and skills that are most in demand and the countries that are facing the largest hiring difficulties. These results can be used by both companies and governments to highlight priority areas for training and education.

<sup>1</sup> The Emerging Markets Network (EMnet) is the OECD Development Centre's business platform for dialogue and analysis of policy challenges, economic trends and business strategies between high-level officials, top executives from multinational corporations and OECD experts, focused on the emerging markets. EMnet members are leading multinational companies from both OECD and emerging economies.

<sup>2</sup> OECD (2016), *Development Co-operation Report 2016: The Sustainable Development Goals as Business Opportunities*, <http://dx.doi.org/10.1787/dcr-2016-en>.

<sup>3</sup> OECD (2016), *Better Policies for 2030: An OECD Action Plan on the Sustainable Development Goals*, [www.oecd.org/dac/OECD-action-plan-on-the-sustainable-development-goals-2016.pdf](http://www.oecd.org/dac/OECD-action-plan-on-the-sustainable-development-goals-2016.pdf).

<sup>4</sup> OECD (2017), "Business Insights on Emerging Markets 2017", <http://www.oecd.org/dev/oecdemnet.htm>.

<sup>5</sup> *ibid.*

<sup>6</sup> Tata Power (2017), "Tata Power's Non-fossil Operating Capacity Climbs to 3060 MW", [www.tatapower.com/media-corner/pressrelease-2017/press-release-17-jan-2017.aspx](http://www.tatapower.com/media-corner/pressrelease-2017/press-release-17-jan-2017.aspx).

<sup>7</sup> Chitnis, P. (2016), "Why a Price on Carbon is Inevitable", Bloomberg Quint, [www.bloombergquint.com/business/2016/10/16/why-a-price-on-carbon-is-inevitable](http://www.bloombergquint.com/business/2016/10/16/why-a-price-on-carbon-is-inevitable).

<sup>8</sup> AfDB/OECD/UNDP (2016), *African Economic Outlook 2016: Sustainable Cities and Structural Transformation*, <http://dx.doi.org/10.1787/aeo-2016-en>.

<sup>9</sup> SEEN (2015), "L'eau potable, essence de la vie", Société d'Exploitation des Eaux du Niger, [www.seen-niger.com/fr/activites/gestion-de-l-eau/l-eau-potable-essence-de-la-vie](http://www.seen-niger.com/fr/activites/gestion-de-l-eau/l-eau-potable-essence-de-la-vie).

<sup>10</sup> OECD (2017), "Business Insights on Emerging Markets 2017", <http://www.oecd.org/dev/oecdemnet.htm>.