THE PRIVATE SECTOR AND THE SUSTAINABLE DEVELOPMENT GOALS, THE ROLE OF EVALUATION

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Outline

- Architecture for the 2030 Agenda
- Private and public sector more related
- The SDGs are for ALL
- Japan and the SDGs
- Evaluation collaboration needed
- UNDP and the private sector – the new plan
- IEO UNDP evaluation of the Strategic Plan – role of private sector
- Way forward the ESG and private sector
“Follow-up and review processes at all levels will be [...] informed by country-led evaluations and data which is high-quality, accessible, timely, reliable and disaggregated”.

Vision & Principles
Declaration in resolution A/RES/70/1

Results Framework
17 goals, 169 Targets, 230 indicators

Implementation
Global Partnership & Means of Implementation

Follow-up & review
Monitoring & Evaluation
The Agenda 2030 further emphasized the need for an holistic approach to national evaluations.

- Country-led
- Evaluation integrated into national systems
- Support public policy
- Inclusive & participatory

Integrated view of institutions & development
Focus on the poorest, most vulnerable
Data driven
Sectors success involves inter-dependencies – evaluation helps us know how well these work – classic notions and dualities do not apply.
Sectors are not exclusive but dependent

- Classic notion of a private and public sector being different in ethos no longer the case, closer collaboration
- Good governance in the public sector through sound policies that are responsive to economic and political context helps growth – benefits citizens
- Public-private partnerships are used by countries for success – mutual learning and both create public good
- Good governance & its transparency and accountability emphasis is necessary for private sector success
- Evaluation helps us know and act
Development is a social compact requiring collaboration – success not possible without collaboration and partnerships
MDGs to SDGs – practical changes – for ALL

Only developing > ALL countries application and reporting – truly global

Expert > participative process

Full ambit of development issues addressed greater complexity for monitoring, review and evaluation 8/21 > 17/169
Japan has volunteered to share its experience, are signs of addressing SDGs in all sectors, work in progress, evaluation can convene the efforts
Japan and the UNDP

- UNDP’s top contributing donor ($382.5 million in 2017)
- Greatest single contributor to the Green Climate Fund ($1.5 billion)
- Leading donor on environment, climate change and disaster prevention/recovery
- Japan has entered into specific programming agreements with UNDP in support of climate change adaptation
Japan and advancing the SDGs

- Japan
  - *Become a leader toward a future where economic, social and environmental improvements are attained in an integrated, sustainable and resilient manner while leaving no one behind*
- Foundation created and volunteered to be a part of Review – emphasis on local
- Evaluation culture fostered through Japan Evaluation Society

- It is for *all countries and sharing implicit*
- Participatory nature means it is a clarion call to *join forces across society and sectors*
- Common evaluative language and commitment o review and report on progress “as one” - credibility issue important linked to principles
Reviews underway and Japan has participated

- Agenda 2030 encourages member states to “conduct regular and inclusive reviews of progress at the national and sub-national level”

HLPF TIMELINE

2013
Building the future we want: from Rio+20 to the post-2015 development agenda

2014
Achieving the MDGs and charting the way for an ambitious post-2015 agenda

2015
Strengthening integration, implementation and review - the HLPF after 2015

2016
Ensuring that no one is left behind

2017
Eradicating poverty and promoting prosperity in a changing world

2018
Transformation towards sustainable and resilient societies

2019
Empowering people and ensuring inclusiveness and equality

The set of goals to be reviewed in depth will be the following, including Goal 17.

2016
22 VNR

2017
43 VNR

2018
48 VNR
All evaluation and related units (audit, accountability, performance) of sectors must share methods for common purpose of Kaizen – not in competition when talking about public good and development of citizens.
UNDP evaluation findings related to private sector

Refer to notes and evaluation of the Strategic Plan and IEO website, as well as UNDP Administrators remarks
The UNDP within the UN

- Largest development agency in the UN — more than 170 countries
- 50 years in operation — large, complex mandate, spending USD 7 billion a year
- Evaluation of UNDP Strategic Plan as an input for the new Strategic Plan 2018-2021
- UNDP is the largest provider of environment services: 38% of GEF portfolio
UNDP fostered collaboration at all levels

- UNDP fostered a multitude of inclusive multi-stakeholder participatory processes at regional, national and even subnational levels during the MDG era.
- It used its convening power with governments, civil society, the private sector, academia and foundations.
- Outreach efforts, such as ‘My World’ and ‘The World We Want’ surveys, generated over 10 million public comments. Innovative crowdsourcing platforms have facilitated participation by more than 50 countries on climate change policies.
Platforms and hosting was successful

- This co-investment platform allows entrepreneurs, philanthropists and capital market investors to create both economic and social dividends while facilitating the transition from grant-only project-based development to the blended financing of market-based development.
- The Social Impact Fund and innovative methods such as impact investment are in the early stages of development.
- UNDP also hosts the Business Call to Action, which prompts companies to advance core business activities that involve poor communities and contribute to achieving the SDGs.
Dedicated innovation fund for multi-sectoral approach

- In 2014, UNDP established a dedicated Innovation Facility to foster the design of a new generation of development services that support national governments in tackling complex development challenges.

- Although the Facility is still in its early stages, the innovative approaches to development solutions it will nurture will be important for addressing complex development challenges that require multisector approaches.
The 2018-2022 Strategic Plan

Important role accorded to private sector
The new business models of UNDP (performance and innovation streams) put considerable emphasis on private sector partnership.

Co-creation among various actors is seen as the way forward.

UNDP aims to broaden and deepen its responsible engagement with the private sector, working with Governments to mobilize private sector capital for domestic investments in the Sustainable Development Goals in accordance with national development priorities.
The private sector is recognised as a critical development partner by the current Strategic Plan (2018-2022) for partnering with Governments and others on the implementation of Sustainable Development Goal-related policies and programmes.

As a significant source of investment (especially domestic investment) for the Goals and by adopting business practices that move communities towards inclusive sustainable development.
As a catalytic organization, enabling environment

- Specific processes, skills and legal instruments will be tested and developed, with the overall aim to strengthen the ability of UNDP to be a catalytic organization.

- To help Governments to create a better enabling environment for private sector funding for government priorities.

- To provide services to help mobilize private capital and other investments for country development where appropriate.
Country support platforms

- The country support platforms supported by UNDP will help countries to design and deliver integrated solutions to complex development problems that require multi-sectoral action across economic, social and environmental issues.

- They respond to the growing demand for greater collaboration amongst a wide range of actors (United Nations, government, civil society, private sector, IFIs, etc.) recognizing that the Sustainable Development Goals, and the aspirations that underpin them, cannot be achieved through stand-alone sector or issue-based approaches.
Closing the energy gap, innovative solutions

- UNDP signature solution on ‘closing the energy gap’, aims to support countries’ transitions to sustainable energy systems by working to de-risk the investment environment and to attract and leverage private and public-sector resources.

- In certain contexts, where energy does not yet reach everybody, it will be necessary to focus on supporting innovative private and public solutions to increase energy access and delivery.
Sustainable energy portfolio is important

- UNDP’s current sustainable energy portfolio includes close to 260 projects (excluding small projects). It comprises a portfolio of $1 billion in grant financing while leveraging close to $6 billion more in co-financing from the public and private sectors. Expenditures for energy-related activities increased 53 percent from 2014 to 2016, reaching a total of $270 million for the three years, and rising from $70 million in 2014 to over $108 million in 2016. This expansion is built on an 85 percent increase in ‘local’ or government cost-sharing and an increase of 59 percent in vertical fund support.
UNDP and its IEO works mainly with governments in building national evaluation capacity, time has come to bring in private sector given SDG comprehensiveness
History & Evolution of NEC Conferences

- UNDP Signature Regional NEC events have helped to sustain NEC momentum through new conversations with new partners.
- Each event framed on key theme, evolving into the next, gathering momentum through the NEC journey, with new participants, countries and topics.
For SDG success more evaluation collaboration

Realizing Agenda 2030 through the SDGs means unlocking the full potential of the evaluation discipline and profession

✓ Leadership at all levels needed to build a culture of critical reflection on performance of sector and how to share lessons for SDG success
✓ Evaluation type in public and private sector quite different, and for SDG success conversations at all levels must take place on how to work together for goal attainment
The Guidance recognizes the complexity of national evaluations

- Complex set of coordination of actors and actions that interact in repeated, evolving, and sometimes unpredictable ways
- Evaluation capacities cannot be developed with an output-oriented linear approach
- Evaluation system needs to be integrated with existing societal practices and values, and evolve with them
National evaluation diagnostic guidance aims to facilitate institutional self-assessment

Non-prescriptive approach to account for institutional and other development context differences

Enables unpack evaluation requirements

Outlines a series of steps to assess key evaluation bottlenecks and needs

For use by government entities primarily and other evaluation actors who will support government

Flexible to use by the federal government, regional/state government as well as local levels
Strengthening ESG collaboration

Sustainability of Environment, Society and Governance – the role of the private sector
Central to making ESG more effective will be improving the investment chain and corporate governance substance.

Need to address bottlenecks in ESG investment across the investment chain pertaining to asset owners, investment managers and companies.

There is need for a systematic integration of ESG factors in financial analysis.

When evaluating the sustainable competitiveness of companies, investors should also focus on each aspect of the ESG activities of the companies, which is currently not fully practiced.
Investment strategies can be informed by evaluation

- Of the three indicators of ESG — the sustainability of the environment, society and governance, Japanese companies are focusing more on environmental and social aspects. While much ahead in the area of sustainable environment, governance area remains a challenge.

- Evaluations of ESG impacts will inform ESG investment strategies. Evaluation can help quantify the various impact as these relate to the environment, society and financial systems.
Impact investment critical and ESG information for integration and action needed

- Impact investment in organisations and companies to generate social and environment impact will be critical alongside a financial return
- Improve the availability, quality and standardization of ESG information which is challenge in most countries
- More evaluations and studies are needed on ESG integration, even in environment area
Thank you!