

## Scaling Up Business For Good

**The UN's Sustainable Development Goals (SDGs)** need business and capital as much as business and capital need the goals. Solving the world's biggest challenges is actually as good for business as it is a good investment. However, not all societal needs are initially a firm business case. So, all parties—public and private—need to collaborate and mutually leverage solutions and investments.

The SDGs are the blueprint for the world we want to have, and they provide one language and one set of goals, targets and indicators to guide us. But the scale of our solutions must meet the scale of our challenges, and by now it is clear; we have to significantly scale up sustainable solutions to the challenges we share, in order to achieve the goals. Business as usual won't get us there. This means that business at scale needs to get out of its comfort zone and repurpose business as unusual.

Since the UN SDG report in 2017 was presented, we have been confronted with numbers indicating that the benefits of progress are not being equally shared. An estimated 155 million children under five years of age were stunted due to malnutrition. On average, women spent almost triple the amount of time on unpaid domestic and care work as men, based on data from 2010-2016.

Lack of progress comes at a high price. Economic losses from natural hazards are now reaching an average of \$250 billion to \$300 billion a year, with a disproportionate impact on small and vulnerable countries. Creating a more equitable and sustainable world is tough work, but failure to do so would be catastrophic for society, the environment, the economy and business itself.

Scaling up at high speed and large scale requires bold leadership, radical innovations, huge investments and public-private partnerships, as well as collaboration, education and the supportive framework of a paradigm shift in tax, law and legislation. Nevertheless, it is a job that can be done. The world needs our business solutions, and they are needed sooner rather than later. The solutions not only need to come quickly, but they also need to be scaled up as rapidly as we can. The scale of our business and capital solutions simply must meet the scale of our global challenges. Inaction, or too little action, comes with a huge societal and economical price, which we cannot afford.

Our global goals are not insurmountable, there are business and capital solutions that make a significant difference. The opportunities are there. Information resources are available for guidance, there are organizations and partnerships open to new members, as there is ample room for more leaders to join the call. The business case of both engaging with, and funding, the SDGs is a very strong business case.

For example, the Business and Sustainable Development Commission (BSDC) notes that there is a \$4 trillion annual investment opportunity existing in the sectors of food and agriculture, cities and energy and materials. Its report, *Better Business Better World*, predicts that the current investment (of \$4 trillion) could unlock opportunities worth more

than \$12 trillion by 2030, conservatively calculated. Additional savings and revenues of trillions of dollars annually can result from the opportunities unlocked by the global goals. The new market opportunities can generate up to 380 million new jobs by 2030. Most of those jobs will be in developing countries, which is important to control poverty and economic migration as the population is expected to grow considerably in those regions.

The impact of business and private investments is huge. Nowadays, we live in a world where a company can command more financial capital than an entire country's GDP. Imagine for instance that Apple's finances surpass the GDP of two-thirds of the countries in the world. As 50 of the largest economies on earth are corporations, and this number continues to grow as companies grow, business holds tremendous power. Companies are, for a large part, globally present and therefore have greater reach than governments. The global impact of business shows that on many levels there is a substantiated business case for embedding the SDGs. Furthermore, about 50% of all assets under management worldwide belong to the largest banks, meaning that banks alone could easily solve the SDG funding gap. There is much leverage for business and capital to drive the shift towards achieving the SDGs. But it requires leadership.

Consumers too are helping to drive the movement towards sustainability. They are becoming increasingly aware of their purchasing power, and their voice. A Cone Communications study in the U.S. shows that 87% of people will purchase a product because a company advocated for an issue they cared about, and 76% will refuse to purchase a company's products or services upon learning it supported an issue contrary to their beliefs. The study also revealed that 90% of those surveyed in the U.S. would boycott a company if they discovered that the company was using dishonest or irresponsible business practices.

Changing consumer behaviour is becoming more widespread. Organic fresh food is outperforming its conventional offering in every core market. Demand for more natural, cleaner and healthier products drives organic sales not only in developed markets such as the U.S. and U.K. but also in developing markets. In China, for instance, sales of fresh organics increased by almost 30% in 2016 and by over 16% in South Africa despite their high unit prices.

Consumers are becoming more critical of the products they buy and the companies they engage with. A study by sustainability consultancy Corporate Citizenship found the lack of tangible business action on the SDGs is causing a trust problem among consumers. This is particularly the case among millennials (those born between the 1980s and early 2000s). The consultancy's research revealed that "despite 81% of millennials believing business has a key role to play in achieving the SDGs, the majority of businesses are not yet acting."

New markets can be unlocked and accelerated by growing consumer awareness and demands. Current and future customers want different, more sustainable offerings. Sustainability is a leading theme, even more so since our new generation—the millennials—have a much more progressive view of sustainability.

The way to scale up business and capital solutions for the global goals is for everyone to join the movement to make the shift to a sustainable world. It needs to be the topic of conversation, and we need leaders to build the momentum and guide the way. Future leaders—the millennials, and the generations to follow—will carry the baton as the successors, inheriting the challenges. Therefore, we need everyone to get involved, education to make young and old aware, and collaboration to drive our greatest challenge

and opportunity—the SDGs.

Individuals can do a lot. People have power, even more so today than ever before. With technology connecting us, we each have a louder voice with a greater opportunity to be heard. Consumers can demand that externalities should be integrated into the price of products and services. We can each be an SDG leader and inspire and support each other to build a sustainable life for ourselves and the generations to come. Achieving the SDGs is a matter of leadership.

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