



PERMANENT MISSION OF THE
UNITED ARAB EMIRATES
TO THE UNITED NATIONS



PERMANENT MISSION OF ITALY
TO THE UNITED NATIONS



PERMANENT MISSION OF ETHIOPIA
TO THE UNITED NATIONS



*Empowered lives.
Resilient nations.*



FOUNDATION
CENTER
Knowledge to build on.

ROCKEFELLER
Philanthropy
Advisors

FRIENDS OF
SAN PATRIGNANO

Concept Note for Side Event

The role of philanthropy and social investors in Financing for Development

21 April 2015 - 13:00 to 15:00

United Nations, First Avenue and 46th Street, New York

Objectives

This event will explore and define opportunities to promote a broader role for new actors and approaches in financing sustainable development, including the Sustainable Development Goals (SDGs), which will be discussed by all governments in September 2015. These new actors include philanthropy and social investors, and new modes of collaboration that blend their investment and efforts with those of governments and intergovernmental bodies. The event will follow up on the Second Committee side event organised in November 2014 on social finance, and provide input for the Third International Conference on Financing for Development in Addis Ababa in July. It will provide an opportunity for Member States and the UN to sustain high level engagement with these new actors.

Background

Achieving the SDGs will require redoubled efforts from all governments. But it will also require far greater resources from those beyond government and intergovernmental organisations. An important component of this private giving is organised philanthropic institutions which have grown in size and number, and which span the range of themes represented not only by the Millennium Development Goals (MDGs), but also across the Sustainable Development Goals. International philanthropic flows are growing. And so is social investment, in the form of equity investment and lending to social-benefit businesses or to social enterprises. In recent years, when philanthropy and other new actors coalesced around particular issues and platforms, joining governments, the UN System, and broader civil society and business, progress on tackling today's challenges was rapid. Examples include the Better than Cash Alliance, the Global Fund to Fight AIDS, Tuberculosis and Malaria, the GAVI Alliance as well as the Global Alliance for Improved Nutrition. These powerful alliances bring the strengths, talents and resources of each sector. The far larger resources of governments are complemented by the distinctive approaches of philanthropy and other new actors at their best – not least patient capital to finance long-term progress, and the ability to work nimbly and take risks. However, in there is also a realisation that the level of resources available, and the level of collaboration, is currently far from sufficient to meet the investment needs for achieving sustainable development.

In the coming years, new actors will bolster their grantmaking abilities with a growing amount of funds for social impact investments – supporting social-purpose companies, non-profit organisations that earn a portion of their revenue, and investment funds. These have the intention to generate social and environmental impact alongside a financial return. This is built on a recognition that the huge resources held by foundations (private, corporate or public) and philanthropists should contribute to development aims just as grant funds do. Each year more impact investments are deployed into sectors such as sustainable agriculture, universal education, affordable housing, affordable and accessible healthcare, clean technology, and financial services. Many of these investments have been facilitated or instigated by the philanthropic sector, with government and public policy needing to play an enabling role and provide a supportive ecosystem. Notably, philanthropic giving and social impact investing are global trends, not limited to wealthy countries, marking a global shift that mirrors the universality of the Post-2015 Agenda and Sustainable Development Goals, and thus providing a distinctive contribution to the Financing for Development agenda.

This side event will be tightly organised and prepared to convene top leaders and experts from across the sectors to take stock of the current situation, identify key challenges and opportunities vis-à-vis the contribution of new actors, , and illuminate specific commitments and deliverables that could be put on the table at the Addis Ababa conference in July.

Key questions

- What is the role of new actors in the Financing for Development framework?
- What are the risks of expanding the role of new actors beyond service delivery and towards advocacy and social impact investment?
- How can the philanthropic sector and social investors deepen contributions to research and technology transfer in ways that support sustainable development?
- How can foundations of all types leverage their existing resources better? What is the case for investing endowments and investments in targeted social impact vehicles to help deliver significant resources for sustainable development?
- How can instruments of social finance – such as social stock exchanges, development impact bonds, microfinance and crowdfunding – improve sustainable development outcomes?

Logistics

The event will be held on 21 April 2015, from 13:00-15:00 as a side event to the post-2015/Financing for Development joint drafting session (21-24 April). It will follow the ECOSOC high-level meeting in the morning.

Co-sponsors and organisers: Italian Mission to the UN, United Arab Emirates Mission to the UN, Ethiopian Mission to the UN, UNDESA Financing for Development Office, UNDP, Foundation Center, Rockefeller Philanthropy Advisors and the Friends of San Patrignano Foundation.

Follow on Twitter #Phil2015