

**High-level Event on SDG Financing Lab**  
**General Assembly, 71st session**  
**18 April 2017, UN Headquarters, New York**

***Panel: What will it take to finance the SDGs? From Ambition to Reality***

*Opening statement by Giulia Porino,  
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Good morning. Your Excellencies, ladies and gentlemen, I am grateful for the opportunity to speak here today representing Finance Watch.

Our organization, independent from any special interest or political group and representing millions of citizens through its Membership, was created six years ago in the aftermath of the crisis with a mission to bring an expert counterweight to the ever powerful financial lobby.

Our staff, mostly coming from the various fields of the financial sector, has mainly focused on the implementation in Europe of the G20 post-crisis financial reform agenda.

We are now expanding our network and activities beyond Europe to convene a global change finance campaign.

What will it take to finance the Sustainable Development Goals?

We will talk about the many stakeholders involved, we will talk about regulation and policy, we will talk about financial innovation. We will engage in very technical discussions.

Yet it really takes only two words to respond to the question and these words are: political will.

There has never been more capital flowing around the world. It has never been concentrated in fewer hands. And there has never been more expertise about how to

move it from there to here. What we need now is the leadership that can make it happen.

This event makes us optimistic in at least two ways.

First of all, the United Nations is asking the crucial, positive question: how can we make finance serve society, where the G20 response to the crisis focused on the negative, prudential perspective: how can we make finance not hurt society again?

Secondly, the framing of the discussion is right, looking at finance as a system including public and private institutions, and considering the full range of tools, from tax to monetary policy and from financial regulation to business incentives, including financial innovation.

In our view, four things need to happen before we see finance serving the Sustainable Development Goals:

- 1) First, consensus on a concrete, comprehensive and exciting vision of an economy that will make the SDGs a reality and of how we can transition to that economy from the current one
- 2) Second, we need ambitious government actions and public investment programmes that give a clear direction to global financial flows
- 3) Third, we need to align private financial institutions with the financing of the SDGs by embedding social purpose at the heart of their governance and activities
- 4) Finally, we need a broad coalition of stakeholders to support and oversee this transformation of the financial system and we offer our Citizens' Dashboard of Finance as a platform for such coalition

1. My first point is that finance is only a tool to serve an economic project and a broader vision for society.

If we want to go beyond growing a few green or sustainable finance niches to transform mainstream finance, if we want major financial institutions to divest from fossil fuels and

other unsustainable, unjust activities, we need a clear re-investment path towards a sustainable and inclusive economy, one that will make the SDGs a reality.

This implies taking a cold, hard look at how our current economy, shaped by 30 years of financialization, is incompatible with the SDGs and in fact contributed directly to the depletion of ecosystems and booming inequalities, among other.

2. My second point is that governments and public institutions need to show the way.

As a growing number of economists have noted, the dogmatic restriction of public budgets is economically counter-productive in the current environment.

But public authorities can do more than launch ambitious investment programmes: they can think of ways to align monetary policy with sustainability, they can remove subsidies to fossil fuels, shift taxes from labour to carbon and to unsustainable economic activity, they can end tax avoidance and restructure the debt of developing countries in particular, among other actions.

3. My third point is about aligning private financial flows with the SDGs by embedding them into financial regulation.

We are not asking for more regulation in terms of quantity, we are asking for financial regulation that is effective in bringing back a sense of social purpose at the heart of the financial system. The UNEP Inquiry has done a great job of listing the many ways to do that and documenting best practices across the globe.

4. My final point is about the process.

We failed collectively to transform finance in the aftermath of the crisis. Because we failed to look at the root-cause and focused instead on prudential fixes. Because we failed to ask the crucial question of the purpose of finance.

But above all, because we lacked a global coalition of stakeholders supporting a change finance agenda beyond the immediate outrage as a reaction to the crisis.

Finance Watch, with its members and other partners, is currently convening this global coalition by building our Citizens Dashboard of Finance. Stakeholders include civil society organizations, academics, pioneers in sustainable business and finance (including FinTech), and policymakers. We engage them on developing a positive vision, a concrete change agenda and indicators that allow to track progress. We hope you will join us.

Your Excellencies, ladies and gentlemen, we believe the time is right for bold action where the G20 financial reform agenda largely failed. People are demanding change – and certainly they want the financial system to change.

Ten years after the financial crisis, let us take this opportunity to engage them on a positive, exciting alternative to the politics of fear and anger.

Thank you.