

Task force on digital financing of UN SDGs launched

Transforming financial systems



UN secretary-general António Guterres late last month announced the launch of a global task force charged with recommending strategies to harness the potential of financial technology to advance the Sustainable Development Goals. The Task Force on Digital Financing consists of leaders from a range of sectors from both developed and developing countries. It is co-chaired by Maria Ramos, CEO of the Absa Group (South Africa) and Achim Steiner, administrator of the United Nations Development Programme.

"We have already seen how technology has helped expand financial inclusion - itself an important goal - by 1.2 billion people in just six years," said Guterres. "But we have only just begun to tap the potential of digital finance and investment to meet the broader agenda set forth in the Sustainable Development Goals and the Paris Agreement on climate change."

Reflecting its interest in the digitisation of finance at the systemic level, the task force's membership includes experts from the investment community, capital markets, government, and civil society, as well as leading banks and innovators in digital payments. Task force members serve in their personal capacities.

"Digitisation makes it possible to process financial data much faster, more accurately, and in exponentially greater volumes," said co-chair Maria Ramos. "Not just financial institutions, but entire financial systems are being transformed by the digital revolution. We have an historic opportunity to ensure that what emerges are financial systems that put people at the centre."

Co-chair Achim Steiner pointed to promising examples of fintech-driven solutions that advance sustainability, from channeling personal savings into long-term investment vehicles such as government bonds to using blockchain and tokenisation to support renewable energy developments. He observed that to date most such innovations are standalone solutions, adding, "Domestic savings in most countries are still not channeled effectively into the larger-scale financing needed for sustainable development. We need to understand how to harness digitalisation to direct the flows of capital to vital work linked to the SDGs, including areas from biodiversity to connecting



rural economies with global market opportunities and which, to date, remain largely untouched by the fintech revolution."

The Task Force on Digital Financing will meet in Davos in January and is expected to present its preliminary report of recommendations to the secretary-general in September.