



UNITED NATIONS

PRIVATE SECTOR FORUM 2016

19 September | UN Headquarters, New York

Investing in Prosperity: Thematic Discussion Briefing Note

Discussion Objectives

In a 40-minute luncheon discussion at the Private Sector Forum, UN, Business, Government and Civil Society participants seated at tables of ten will address challenges and opportunities set out in this briefing, share examples of their own organizations' commitments to action, and identify new opportunities to collaborate with other participants to scale impact.

Discussion Question

How can Governments, the United Nations and the private sector work together to enable effective humanitarian preparedness and response while ensuring that no one is left behind?

Introduction

With over 60 million people displaced by conflict and natural disasters worldwide, society is facing the biggest refugee crisis since the Second World War. The scale of this instability as well as its capacity to cross borders, demonstrated by the refugee crisis in Europe, underscore the imperative need for humanitarian action from all sectors of society. It is also relevant in the context of the Sustainable Development Goals (SDGs) adopted by United Nations Member States. Just as failures in development can cause and exacerbate conflicts and natural disasters, instability can also halt and even reverse development progress. To date, business is still a modest factor in humanitarian activities, yet the private sector has the creativity and capacity at scale to provide new solutions to risk management, support aid delivery, create jobs, and modernize transparency and accountability. Unlocking the potential of the private sector through responsible business operations, innovative business models, investment and technology will be critical in bridging the humanitarian aid gap and servicing the needs of those displaced. Only in this way can we prevent further instability and help peaceful societies flourish.

Key Challenges

The world today spends around USD 25 billion to provide life-saving assistance to people affected by wars and natural disaster. However, there is a funding gap for humanitarian action of an estimated USD 15 billion. Furthermore, for every USD 100 spent on development aid projects, only 40 cents have historically gone into protecting countries from succumbing to natural disasters. These events are often erroneously perceived as short-term humanitarian emergencies, yet frequently become long-term development challenges. The average duration of displacement is 17 years, making it clear that those who flee from conflict or seek refuge from extreme weather are not likely to be temporarily displaced. Therefore, better coordination of humanitarian and development activities is needed for both urgent and ongoing aid. Collaboration between the humanitarian and private sectors is hampered by an inability to identify the right partners, misaligned drivers or objectives as well as often onerous and bureaucratic partnership processes.

Solutions

The list below provides suggestions for business action to address humanitarian crises.

- Contribute to stable and prosperous societies by implementing responsible business policies and practices, ensuring the identification, prevention and mitigation of negative impacts on society and the environment, and establishing a culture of integrity and compliance.
- Proactively contribute to stability by creating decent jobs and economic opportunities through the company's value chain, products and services, and sourcing practices, for example by supporting entrepreneurship among the most marginalized, including refugees and migrants.
- Provide risk transfer services and insurance solutions at the macro, meso and micro level, protecting Governments, companies and individuals from unforeseen adverse events.
- Develop products and services that address the unmet needs of the displaced or decrease the costs of existing needs, such as in education, health, shelter and sanitation. Other examples include the facilitation of low or no-cost remittance transfers, mobile banking services and innovative financing mechanisms such as green or social impact bonds.
- Develop new technologies and innovative solutions to address sustainable development challenges and facilitate the transfer of technology to developing countries.
- Provide investment, expertise and innovation to improve disaster preparedness and response within business operations and communities.



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- Contribute directly to humanitarian relief by providing assets, staff with expertise or both.
- Develop policies and practices to support the employment and integration of refugees, migrants and their families.

UN-Business Partnerships and Initiatives

The **UN Business Action Hub** offers a central online entry point for companies looking to partner with the UN. Visit business.un.org or the new UN Global Compact [Partnership Passport](#) to learn how to connect and partner. Companies are also encouraged to take action through the following UN-business initiatives:

Visit the UN-Business Action Hub – a platform where the UN and business can engage in dialogue, share information and take action to advance UN objectives and the SDGs.

business.un.org

Endorse the Women's Empowerment Principles – a set of principles developed by UN Women and the UN Global Compact for business offering guidance on how to empower women in the workplace, marketplace and community. Chief executive officers, or the equivalent, are invited to issue a CEO statement of support.

www.weprinciples.org

Participate in the Breakthrough Innovation Challenge – a UN Global Compact initiative that brings together young entrepreneurs from leading multinational companies to design future sustainable business models powered by disruptive technologies such as Artificial Intelligence, Blockchain and Internet of Things.

www.unglobalcompact.org/take-action/action/breakthrough-innovation-challenge

Get involved with United Nations Environment Programme Finance Initiative (UNEP FI) – a public-private partnership that seeks to encourage better implementation of sustainability principles in financial institutions, namely through incorporating ESG in risk analysis.

www.unepfi.org

Join the UN-supported Principles for Responsible Investment (PRI) – works to understand the investment implications of ESG factors and support its international network of investor signatories in integrating these factors into their investment and ownership decisions.

www.unpri.org

Implement the Equator Principles – a coalition of banking and similar financial institutions incorporating environmental and social risk into project finance transactions, covering over 70 percent of all international project finance debt in emerging markets.

www.equator-principles.com

Become a signatory of the Principles for Sustainable Insurance – a sustainability framework for developing innovative risk management and insurance solutions.

www.unepfi.org/psi

Support the International Recruitment Integrity System (IRIS) – a certification process for international labour recruiters. IRIS empowers companies to make better informed decisions regarding the procurement of recruitment services and to protect migrant workers from exploitation and abuse. iris.iom.int

Utilize *Children in Humanitarian Crisis: What Business Can Do* – a forthcoming report outlining ways in which business can help uphold children's rights and support and promote their well-being during humanitarian crises.

Linking the SDGs and the Humanitarian Agenda

While all of the SDGs are interconnected and help advance the humanitarian agenda, the following SDGs are particularly critical to investing in prosperity:

