



(online) = ISSN 2285 – 3642

ISSN-L = 2285 – 3642

Journal of Economic Development, Environment and People

Volume 8, Issue 4, 2019

URL: <http://jedep.spiruharet.ro>
e-mail: office_jedep@spiruharet.ro

FOREWORD

What is needed to create a more sustainable world for us and for future generations? This is a question raised more often than ten years ago, just because of the concern about humankind's future is blurry, environmental issues become an urgency due to the visible consequences: floods, bushfires without precedent like recent Australian tragedy. The population and governments can no longer ignore these signs and immediate actions are required.

The United Nations Sustainable Goals (SDGs) lay out how to eradicate poverty, advance environmental sustainability and provide decent housing, clean water and health care and education to those disadvantaged ones. All UN member states committed to take appropriate measures to make SDGs achievable as soon as possible. However, all beautiful ideals need finance to become a reality. UN estimates about \$6 trillion a year to properly address all 17 SDGs, but this amount far exceeds the traditional sources that can be attracted. Therefore, global finance people think that the entire global capitalist system should get involved and contribute. At the core of this idea is the understanding that when businesses apply their expertise to solve problems, create profit and progress can go together for a better society, business and environment. Companies must consider their long-term financial sustainability in light of these global challenges and maintain a healthy environment and workforce. As an example, in SUA the Environmental Business Initiative, the funds to be deployed are \$445 billion between 2007 to 2030 to support the transition to a low-carbon sustainable economy. The general public is asking businesses to take sustainability always into consideration in all their decisions. In one study, 81 percent of Millennials said companies must have a major role in driving SDGs¹. Also, growing evidence shows a correlation between sustainability practices and better financial performance, higher productivity and lower risks². It seems if businesses can deliver profitability, shareholder return than they could support the SDs most relevant to their businesses. Simple as that.

¹ https://www.goldstandard.org/sites/default/files/documents/sdg_report_optimized.pdf

² <https://www.spglobal.com/en/research-insights/articles/the-esq-advantage-exploring-links-to-corporate-financial-performance>



(online) = ISSN 2285 – 3642

ISSN-L = 2285 – 3642

Journal of Economic Development, Environment and People

Volume 8, Issue 4, 2019

URL: <http://jedep.spiruharet.ro>
e-mail: office_jedep@spiruharet.ro

Private funding represents more than enough money to address the SDGs. Globally, pension funds alone control more than \$36 trillion in investable assets. Insurance companies represent another \$18.8 trillion, wealth managers nearly \$70 trillion, and banks more than \$85 trillion.³

“As people become more aware and more concerned about the speed and scale required to address the crisis, they are proactively pursuing innovative ways to apply the capital needed to achieve the U.N.’s goals,” says Alicia Seiger, managing director of the Stanford University Sustainable Finance Initiative.

“Combining money from development banks, nonprofits, global banks, private equity firms and others, gets things going that would have been impossible otherwise” comment Anne Finucane, Vice Chairman, Bank of America.

So, one would say that global finance should act as support entities for the business initiatives addressing one or more of the seventeen sustainable goals, asking each of their customers: What would you like to do for sustainability? At the World Economic Forum was created a working group of global finance leaders aiming at identifying the best practices and set standards for sustainable management, enabling all private companies to measure progress towards preserving the environment and acting in favor of sustainable ways of doing business. It is an issue of changing the mindset of all: people and businesses, governments and global finance regarding the importance of sustainability issues.

Editor-in-chief,

Prof. Manuela Epure, PhD

³ <https://www.blendedfinance.earth/better-finance-better-world/>