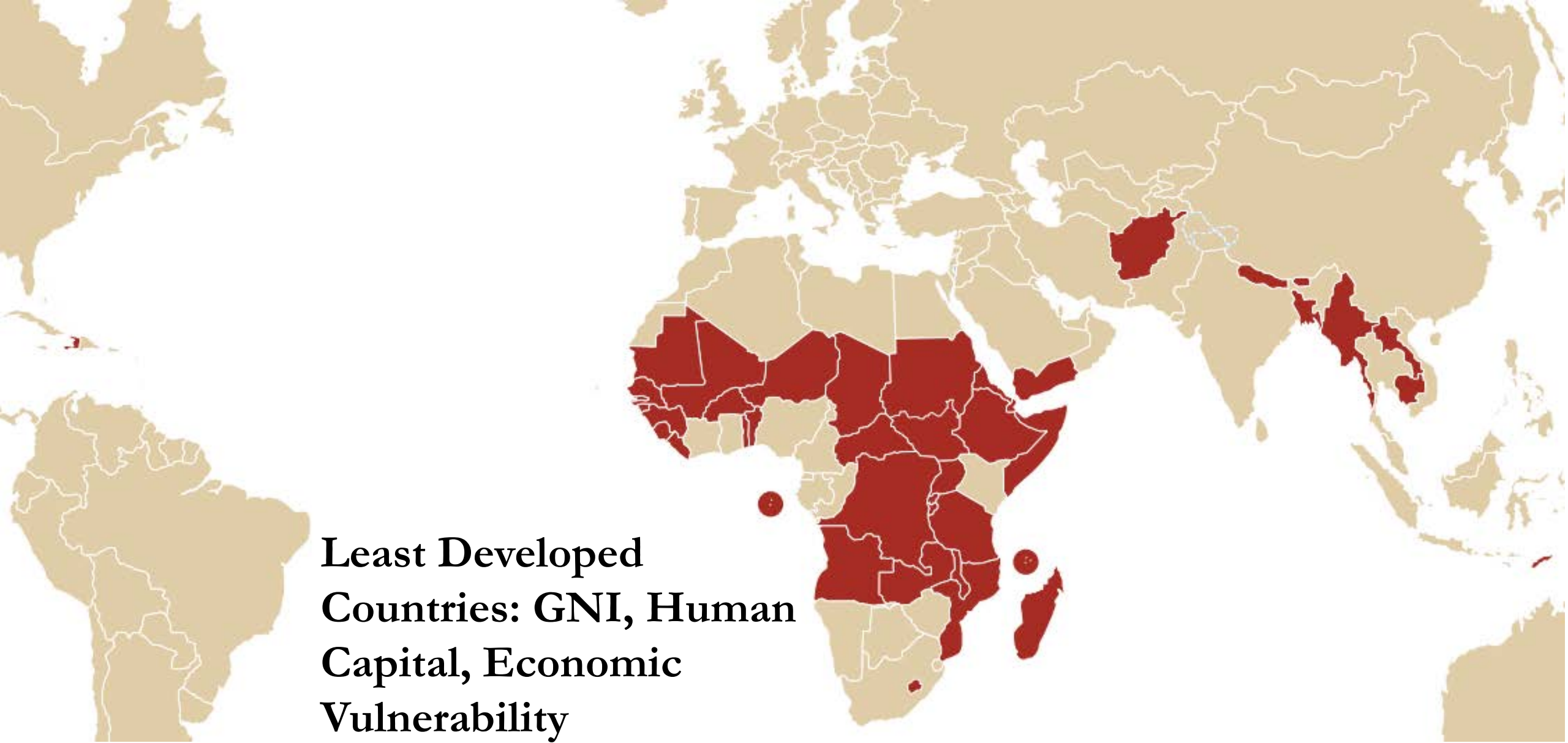


The private sector as the propellant for generating local wealth



4th National Conference - Federchimica



**Least Developed
Countries: GNI, Human
Capital, Economic
Vulnerability**

Human Development Index (HDI)

DIMENSIONS

INDICATORS

DIMENSION INDEX

Long and healthy life

Life expectancy at birth

Life expectancy index

Knowledge

Expected years of schooling

Mean years of schooling

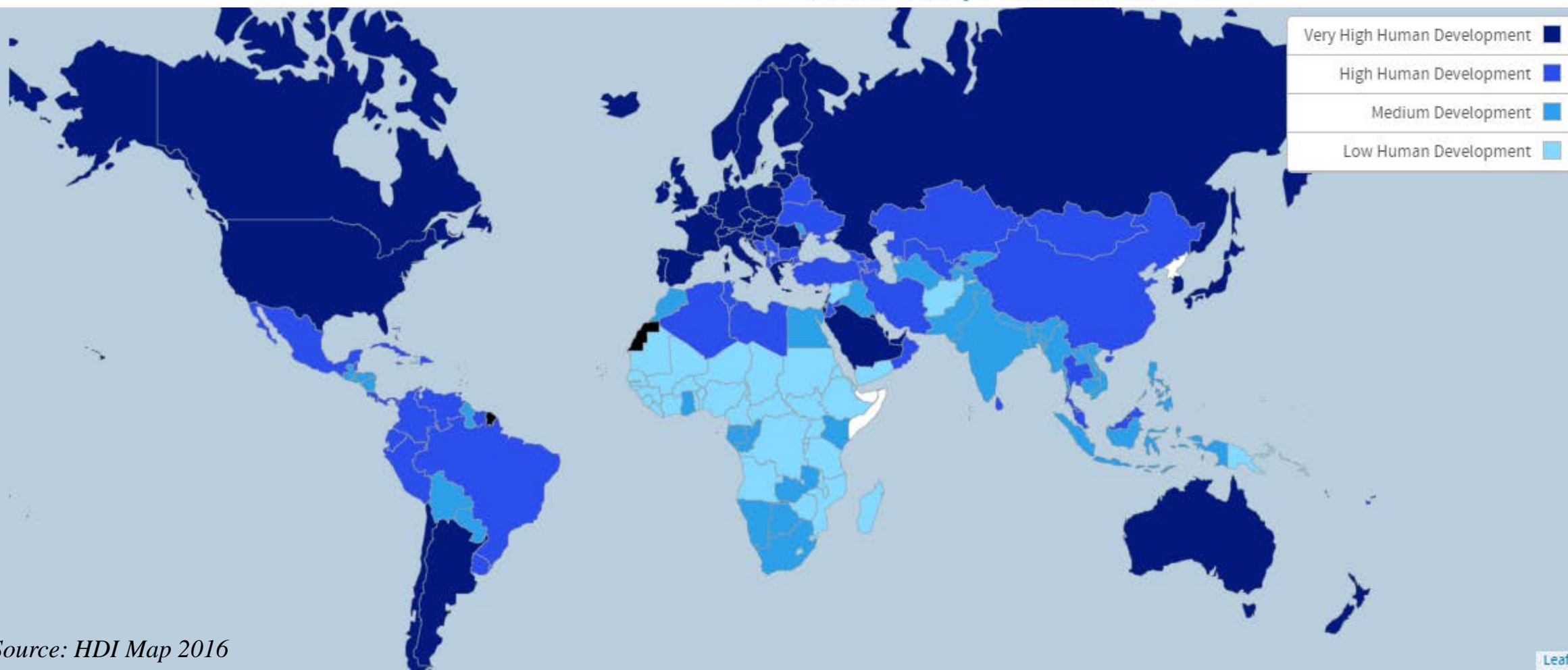
Education index

A decent standard of living

GNI per capita (PPP \$)

GNI index

Human Development Index (HDI)



Source: HDI Map 2016

Private sector and SDGs



Private sector contributions

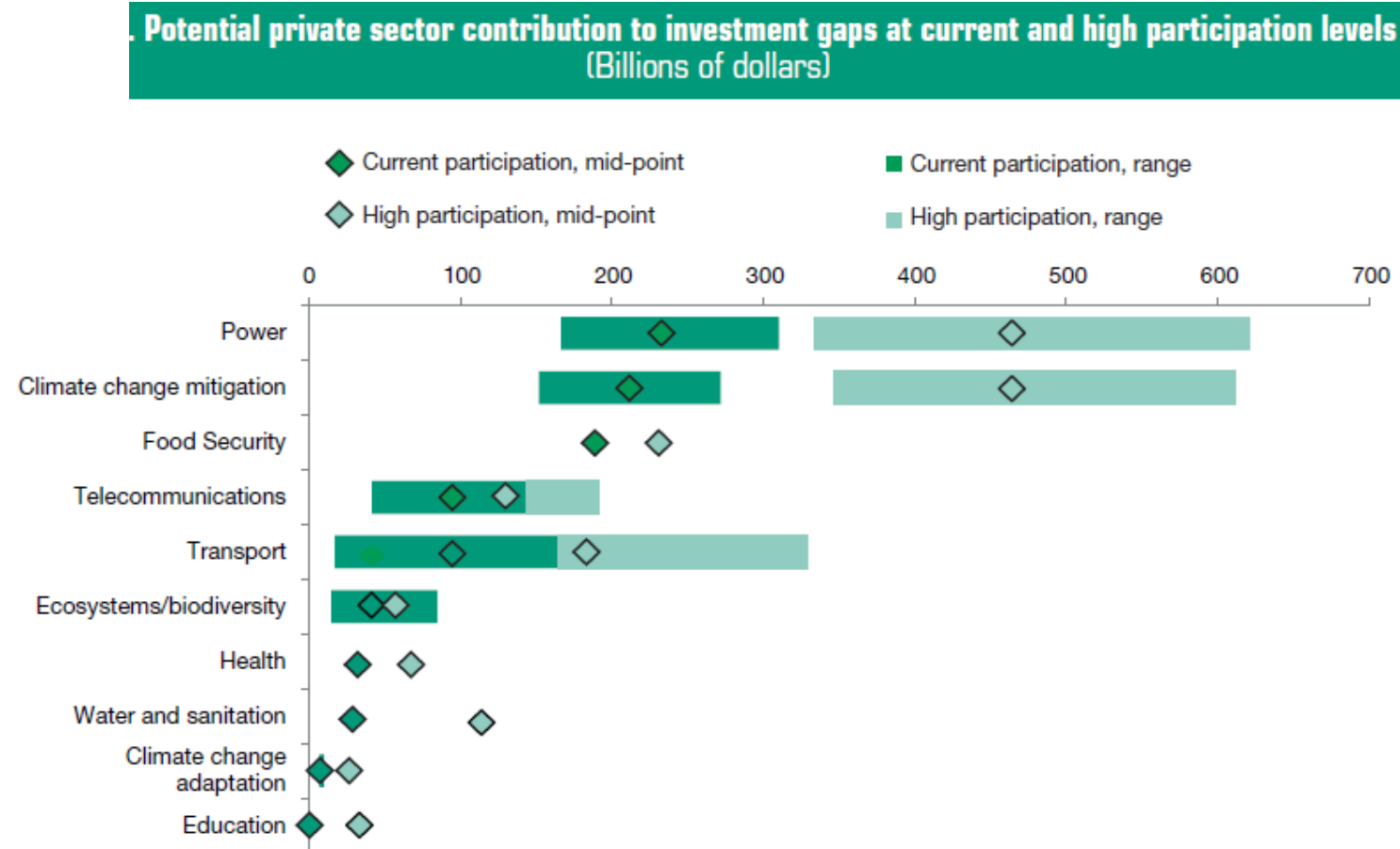
- **transparency and accountability** in honoring sustainable development in economic, social and environmental practices
- **responsibility to avoid harm**, e.g. environmental externalities, even if such harms are not strictly speaking prohibited
- **partnership** with government on maximizing co-benefits of investment (infrastructures or financial systems)
- **Corporate commitment** to specific SDGs and Sustainable Development
- **Investment gap to reach the SDGs by 2030**

Corporate Social Responsibility

- firms have responsibilities beyond profit maximization. *From purely philanthropic initiatives to compliance with fully-fledged codes of ethics, engagement with social issues, adoption of shared value strategies (Global Compact, OECD Guidelines, ILO, social accounting, environmental standards, NNGI)*
- «being socially responsible means [...] going beyond compliance and **investing more on human capital, the environment and relations with stakeholders**»

Investment gap

- 3.9 trillion USD of investment/y to reach SDGs by 2030 in developing countries
- 2.5 trillion USD of gap/year
- ✓ Economic infrastructure (power and transport)
- ✓ Telecommunications
- ✓ WatSan
- ✓ Access to financial services (bottom up)



Instruments (EU institutional perspective)

- EU External Investment Plan (EFSD) : €4.1 billion to leverage more than €44 billion of investments by 2020
- Guarantee Funds and financial instruments
- Law 125/2014 and the role of *Cassa Depositi e Prestiti*



Female entrepreneurship plays a key role in creating jobs and driving economic growth in the Eastern Neighbourhood region. Female-run small and medium-sized enterprises (SMEs) often face reluctance from banks to lend to them as they are perceived as higher-risk customers. EU support provides partial risk cover to local banks to encourage the development of specific products that target eligible women-led SMEs as well as advisory services, training and support for women entrepreneurs and their businesses. Such actions will be expanded through the External Investment Plan.

EU contribution:	EUR 4.8 million
Total investment amount:	EUR 54.3 million
Lead financial institution:	EBRD
Region:	Eastern Neighbourhood



Boost Africa is a partnership programme between the Africa Development Bank and the European Investment Bank to promote entrepreneurship and innovation across Africa. The initiative focuses on fostering start-ups and Small and Medium Enterprises (SMEs) by supporting the commercial apparatus that engages with these companies: including venture capital funds, angel funds and collaborating with accelerators. Africa will leverage its resource, catalyse technical knowhow and create an enabling environment for start-ups and SMEs, crucial enterprises for job creation.

EU contribution:	EUR 80 million
Total investment amount:	Approximately EUR 180 million
Lead financial institution:	AfDB and EIB
Region:	Africa

Partnerships and Challenges

- Concord : accountability and sustainability, AU-EU Summit
- Dialogue with local communities and civil society : do no harm approach, M. Anderson
- Sodalitas Foundation and CSR EU hub on Business and Human Rights
- CSR as development tool