

# BRIEFING FOR CIVIL SOCIETY ORGANIZATIONS

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THE UNITED NATIONS SECRETARY-GENERAL'S  
TASK FORCE ON DIGITAL FINANCING  
OF THE SUSTAINABLE DEVELOPMENT GOALS



## BRIEFING FOR CIVIL SOCIETY ORGANISATIONS

on their role in harnessing digitalization to accelerate financing of the SDGs

The Task Force on Digital Financing of the Sustainable Development Goals (SDGs) was established by the UN Secretary General with a mandate to recommend and catalyse ways to harness digitalization in accelerating financing of the SDGs.

Its final report “**The People’s Money: Harnessing Digitalization to Finance A Sustainable Future**”. The Task Force’s Action Agenda includes a three-part action agenda:

- 1) **Advance catalytic opportunities**
- 2) **Build the foundations for sustainable digital financing ecosystems**
- 3) **Strengthen inclusive international governance**



This briefing sets out specific actions for civil society organisations through which people organise voluntary action and collectively defend their interests. These include for example civic action groups, local, religious, youth, women’s and other interest groups, trader and consumer protection groups, trade unions and associations.

### THE TASK FORCE’S ACTION AGENDA: FOR CIVIL SOCIETY

**Digital disruption creates an historic opportunity to reshape finance** towards empowering people in financing their goals. Finance can and should meet the priorities of the people it is intended to serve, as savers, lenders, borrowers, investors, and taxpayers.

**Civil society organisations** play a particular role in mobilizing collective voice, documenting problems and solutions, holding the powerful accountable and building the capacity of citizens.



**Catalytic opportunities can harness digitalization in aligning finance with the SDGs.** Digitalization is already making a difference to the SDGs, but far more can be achieved by realizing key, catalytic opportunities; *mobilising domestic savings for long-term development, enhancing accountability of public financing, making SDGs count in global financial markets, financing small and medium enterprises, and promoting SDG-aligned consumer spending.*

**Civil society organisations can play a role by** advocating for a responsible and sound design of SDG-aligned financial innovations, demanding transparency, and monitoring accountability of private and public financial intermediaries.

- **Consumer protection groups can advocate** for development and track design, usage, and impacts of financial products that enable citizens to invest in local SDG projects.
- **Trade associations and consumer protection groups can monitor** the quality of financing instruments available to SMEs and assess whether access is equitable.
- **Civic action groups can engage with governments to develop digital tools for fiscal transparency**, and use them to advocate for greater efficiency and accountability of public SDG investments.
- **Civil society organisations can track** how faithfully financial institutions integrate of SDG-related risks and impacts into their portfolios.



- **Civil society can verify the quality of SDG-aligned financial products** and protections offered to consumers and retail investors.
- **Trade unions and consumer protection groups can work to enhance product and service sustainability labelling**, ensuring it is accurate, reliable and user-friendly.



Foundations for sustainable digital financing ecosystems are needed to overcome barriers and risks to harness digitalization's potential in financing the SDGs. These include inadequate digital infrastructure, and access, affordability and capabilities, algorithmic biases which may exclude women and minorities, increased short-termism, cyber vulnerability, and market concentration.

**Civil society can advocate for** inclusion and adequate protection, monitoring alignment of digital financing with national SDG priorities, strengthening citizen awareness and their digital and financial capabilities.

- **Advocate for groups underserved** by existing digital financial infrastructure and monitor consumer rights issues, e.g. data privacy, security, fair treatment, and transparency.
- **Advocate for proper consumer protection** to secure trust and participation.
- **Advocate for citizen interests and sustainable development priorities** to be reflected in decisions of public and private financial intermediaries.
- **Increase awareness of SDG-aligned digital financing innovations among their constituencies.**
- **Work to strengthen people's capabilities** to benefit from such products and services.



Inclusive international governance innovations are critical for harnessing digitalization in delivering financing of the SDGs. Regulations and standards governing digital financing need to be informed by SDG commitments and goals, with a particular need to ensure that the SDGs inform the governance of a new generation of global digital financing platforms with cross-border, spillover impacts.

**Civil society can support innovation by** documenting emerging risks related to global digital financing platforms, supporting innovation and sharing good practices.

- **Consumer protection groups can highlight risks** emerging from expansion of large digital financing platforms and advocate for robust mitigating actions.
- **Civil society organisations can connect consumers and users around the world** in advocating for power over their own data and finances, and the need for governance innovations for global platforms.



## THE ACTION AGENDA FOR DIFFERENT ACTORS

ACTOR	KEY ROLES
<b>Policy makers and regulators</b>	Provide standards and regulatory certainty, advance cooperation with innovators, steer market development in support of national sustainable development priorities, empower citizens and mitigate risks brought by digitalization of finance.
<b>Member States, as part of the UN system</b>	Cooperate to share experience, coordinate and advance ambition and develop common principles and approaches, while building capacity, infrastructure, regulations and industry support at home.
<b>Fintech companies and global digital platforms</b>	Innovate products and services which meet consumer demand to channel finance to sustainable development goals. Commit to principles of SDG-aligned digital financing and develop corporate governance mechanisms to ensure they operationalize them.
<b>Financial institutions</b>	Identify and advance opportunities in own products and systems, advance interoperable digital ID and data systems. Engage with international standard setting and explore corporate governance options for stewarding the SDGs.
<b>International development community</b>	Technical assistance and disseminating learning, supporting governance innovation. Provide support for development of inclusive infrastructure and the capacity of citizens
<b>Development finance institutions</b>	Offer solutions to share risk to enable the development of catalytic solutions. Share knowledge to help governments design risk capital projects aligned to sustainable development and provide incentives via conditionality for corporate governance innovations.
<b>Civil society organisations</b>	Across civic, religious, youth, women's, worker, trader consumer and other interest groups: mobilize collective voice, documenting problems and solutions to hold the powerful accountable. Build the capacity of citizens.
<b>The United Nations</b>	Support Member States in realizing catalytic opportunities and establishing digital financing ecosystems aligned with SDG priorities. Advance inclusive international norm-setting and governance innovations to mitigate risks. Exemplify good practice on digital financing internally. Develop a mechanism for stewarding the implementation of Task Force recommendations.

*For more information explore the Task Force's report at [www.digitalfinancingtaskforce.org](http://www.digitalfinancingtaskforce.org)*