



PEOPLE'S MONEY

HARNESSING DIGITALIZATION TO FINANCE A SUSTAINABLE FUTURE

EXECUTIVE SUMMARY

Digitalization can propel us towards achieving the Sustainable Development Goals, (SDGs). Our response to today's unprecedented crisis demonstrates how digitalization can be harnessed to support vulnerable people, reduce inequalities, sustain livelihoods and strengthen solidarity. If unchecked, however, it could deepen exclusion, increase inequality and further divide us.

Digital disruption creates an historic opportunity to reshape finance. Mobile platforms and data analytics are bringing sophisticated financial services to mass markets. Tens of millions of businesses depend on more than two billion people spending trillions of dollars annually online. Governments are digitalizing public finance, and a growing portion of the world's public equities trades are executed by computer-managed funds.

Digitalization can have a transformative impact by empowering people in financing. The Task Force has focused on how digitalization can support financing that meets the priorities of the people it is intended to serve, by empowering them as savers, lenders, borrowers, investors, and taxpayers. These priorities are collectively represented by the SDGs, the shared agenda adopted by all United Nations Member States.

Catalytic opportunities can harness digitalization in aligning finance with the SDGs. The Task Force highlights that digitalization is already making a difference, but that far more can be achieved by realising keystone, catalytic opportunities. Notable is accelerating the use of 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.

Barriers and digital risks need to be overcome in harnessing digitalization's potential in financing the SDGs, with barriers including inadequate digital infrastructure, and access, affordability and capabilities, and digital risks such as gender and minority biases, increased short-termism, cyber vulnerability, and market concentration.

Governance innovations are pre-conditions 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.

The UN can play a key role in realizing opportunities, overcoming barriers and mitigating risks in harnessing digitalization in financing the SDGs. Centrally is support to Member States in realizing catalytic opportunities, aligning digitalized finance ecosystems with the SDGs, progressing governance innovations to mitigate risks, and advancing digital financing in the UN.

The historic opportunity to harness digitalization in reshaping finance must be grasped now, given the urgency to finance the SDGs, the short window of change resulting from a period of digital disruption, and the potential to maintain the digital momentum of the current crisis.

About the Task Force

The UN Secretary General established the Task Force on Digital Financing of the Sustainable Development Goals (SDGs) as part of his broader Roadmap for Financing the 2030 Agenda for Sustainable Development: 2019-2021. The Task Force's mandate is to recommend and catalyse ways to harness digitalization in accelerating financing of the SDGs.

The Task Force's mandate, work and report are complementary to, and build on 'The Age of Digital Interdependence', that summarizes the findings and recommendations of the UN Secretary General's High-Level Panel on Digital Cooperation, and the associated Roadmap on Digital Cooperation.

The Task Force is co-Chaired by Achim Steiner and Maria Ramos. Its membership is Maiava Atalina Emma Ainuu-Enari, Henrietta H. Fore, Mats Granryd, Piyush Gupta, Natalie Jabangwe, Eric Jing, Bradley Katsuyama, Pooma Kimis, Liu Zhenmin, Phumzile Mlambo-Ngcuka, Ambareen Musa, Patrick Njoroge, Ceyla Pazarbasioglu, Richard Samans, Aurelie Adam Soule Zoumarou.

About this report

'People's Money: Harnessing Digitalization to Finance a Sustainable Future' is the Task Force's final report. It summarizes the findings and recommendations developed and agreed by the Task Force since its inception in November 2018. It is based on an extensive engagement with stakeholders and research.

It builds on the Task Force's progress report, 'Harnessing Digitalization in Financing the Sustainable Development Goals', released on the occasion of the UN General Assembly in September 2019.

Further Information

Information about the Task Force and downloads of this report, including action briefings for stakeholders, a summary version, an extended bibliography and related reports can be accessed at www.digitalfinancingtaskforce.org

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