

*This article by United Nations Secretary-General António Guterres originally appeared in the [Financial Times](#)*

## **Progress toward sustainable development is seriously off-track**

People around the world are taking to the streets to protest against rising living costs and real or perceived injustice. They feel the economy is not working for them — and in some cases, they are right. A narrow focus on growth, regardless of its true cost and consequences, is leading to climate catastrophe, a loss of trust in institutions and a lack of faith in the future.

The private sector is a critical part of solving these problems. Businesses are already working closely with the UN to help build a more stable and equitable future, based on the [Sustainable Development Goals](#). The 17 global goals were agreed by all world leaders in 2015 to address challenges including poverty, inequality, the climate crisis, environmental degradation, peace and justice, by a deadline of 2030.

There has been some progress in the four years since the global goals were adopted. Extreme poverty and child mortality are falling; access to energy and decent work are growing. But overall, we are [seriously off-track](#). Hunger is rising; half the world's people lack basic education and essential healthcare; women face discrimination and disadvantage everywhere.

One reason for the faltering progress is the lack of financing. Public resources from governments are simply not enough to fund the eradication of poverty, improve the education of girls and mitigate the impact of climate change. We need private investment to fill the gap, so the UN is working with the financial sector. This is a critical moment for business and finance, and their relationship with public policy.

First, businesses need long-term investment policies that serve society, not just shareholders. This is starting to happen — some major pension funds are cutting fossil fuels from their portfolios. And more than 130 banks with \$47tn in assets have signed up to the [Principles for Responsible Banking](#), designed in collaboration with the UN. They represent an unprecedented commitment to business strategies that align with the global goals, the 2015 Paris Agreement to prevent global temperatures from rising, and banking practices that create shared prosperity. I urge all financial institutions to sign up to this transformation.

Second, we are finding new ways for the private sector to invest in sustainable growth and development. In October, 30 leaders of multinational companies launched the [Global Investors for Sustainable Development Alliance](#) at the UN. Top executives at Allianz and the Johannesburg Stock Exchange are among those who have publicly committed to acting as agents of change in their own companies and more widely. They are all already backing major sustainable infrastructure investments including clean, accessible energy projects in Africa, Asia and Latin America and the use of innovative financial instruments to mobilise billions of dollars for food security and renewable energy. They will now take on an even bigger role in channelling capital towards sustainable development, matching opportunities with investors.

I hope all business leaders follow their lead, investing in the economy of the future: clean, green growth that provides decent jobs and improves people's lives for the long-term. Business must move further and faster if we are to raise the trillions of dollars required to meet the global goals.

Third, we call on business leaders to go beyond investment and push for policy change. In many cases, companies are already leading the way. Sustainability makes good business sense. Consumers themselves are exerting pressure. One investor described [sustainable finance](#) as a “megatrend”. But private finance is often battling subsidies for fossil fuel that distort the market and entrenched interests that favour the status quo. Major investors including Aviva warn that subsidies for fossil fuels could

decrease the competitiveness of key industries, including in the low carbon economy. Governments lag behind, reluctant to change outdated regulatory and policy frameworks and tax systems. Quarterly reporting cycles discourage long-term investment. Fiduciary duties of investors need updating to include broader sustainability considerations.

We need business leaders to use their enormous influence to push for inclusive growth and opportunities. No one business can afford to ignore this effort, and there is no global goal that cannot benefit from private sector investment.

It is both good ethics and good business to invest in sustainable, equitable development. Corporate leadership can make all the difference to creating a future of peace, stability and prosperity on a healthy planet.

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