

STRATEGIC FINANCING ON SDGs: IMPACT INVESTING, DEVELOPMENT BONDS, SDGs BONDS



Plenary Session - II : From L-R: Jacob Ninan Executive Trustee & CEO, Axis Bank Foundation; Naghma Mulla COO, EdelGive Foundation; Dr. Shalini Sarin Chair - Signify Foundation, Netherlands Chair ISA Global Taskforce for Foundations, (UN) Independent Director Linde, India; Prabhat Pani, Head - Partnerships & Technology, Tata Trust and Dr. Subramanya Kusnur, Chairman & CEO, Aquakraft Projects Pvt Ltd.

The second Plenary Session at SDGs Summit 2018 was held on the topic 'Strategic Financing on SDGs: Impact Investing, Development bonds, SDGs Bonds'. The panel was helmed by Dr. Shalini Sarin, Chair -Signify Foundation, Netherlands, Chair ISA Global Taskforce for Foundations, (UN) and Independent Director Linde, India.

India needs an investment of more than Rs. 50,000 crore in CSR in order to achieve the SDG targets. So, strategic financing is the need of the hour. There are new financing models evolving in the social sector such as impact investing, development/social bonds, SDG bonds, blended financing, and so on, that help in the fields of sustainable renewable energy, microfinance, and affordable housing, healthcare, and education.

The public sector models of financing include Sovereign Sustainability Bonds and Municipal Bonds. The private sector can also play an important role in supporting the developmental efforts in India through financial models such as Green Bonds and SDG aligned models. In India, Green Bonds are worth USD 2.7 billion and Un-labelled climate-aligned bonds worth USD 15.7 billion (estimated).

New instruments like SDG bonds directed to create impact or achieve SDG can be explored. These bonds can be potentially used to raise money through the CSR funds in compliance with the Companies Act.

All the panelists discussed the CSR initiatives and experiences of their companies and also spoke about the Exit Strategy that each CSR project should have.