UN Sustainable Development Goals and shared value partnerships: Driving business opportunities in the energy sector

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With a continuing rise in the world's population and the growth of urbanization, global energy need is set to expand by 30 percent between today and 2040 – the equivalent of adding another China and India to today's global demand.[1] And while demand is growing exponentially, more than one billion people – mostly in Sub-Saharan Africa and South Asia – live without electricity.[2] In addition, there are approximately 3 billion people who lack access to clean-cooking solutions and are exposed to dangerous levels of air pollution;[3] that's over 40 percent of the global population.

World leaders have agreed the UN Sustainable Development Goals (SDGs) are imperative for our planet and the wellbeing of all. Sustainable energy underpins almost all of the goals, with *Goal 7: Affordable and Clean Energy* – focusing specifically on universal access to energy, increased energy efficiency, and the increased use of renewable energy in the global energy mix. Meeting these targets is of crucial importance if we are to create more sustainable and inclusive communities, and develop resilience to environmental issues including climate change. The question is how we will come together to meet this goal and what is the role of the private sector?

According to the Edelman Trust Barometer 2018, there is a significant trust deficit in the general population with only 52 percent having faith in business, yet this is still higher than figures for government or the media.[4] There is a real alignment between corporate transparency and sustainability in terms of how organizations operate and hold themselves to account; businesses therefore have a key role in leading the way forward in tackling today's global challenges.

One of the solutions businesses are looking to is the model of shared value – this is when companies find business opportunities in social problems. Shared value is not social responsibility, philanthropy, or sustainability, but a new way for companies to achieve economic success.[5]

Barefoot College is a leading social enterprise working in nearly 100 countries to empower women by teaching them to become solar engineers. Our work with them is an example of such a partnership: it is so much more than a philanthropic endeavor.

- Barefoot College has strong links to businesses and governments in key emerging markets of interest to our firm e.g. India, Africa, and Latin America;

- we have one of the largest global energy sector practices in the world with an extensive client network, some of which are existing supporters of Barefoot; and

- the partnership allows us to achieve the high performance culture we need to be fit for the future by working across industry sector groups, regions, and legal and non-legal teams.

We want our partnership with Barefoot College to be seen as the leading example of corporate engagement with a social enterprise on a number of different levels which deliver on the SDGs.

Conclusion

The SDGs offer an excellent framework for global corporations to grow and prosper, and indeed those that are engaged are changing the way they are doing business. There is much evidence on the business case for sustainable development, but the challenge now is for the private sector to find a way to embed this. Shared value partnerships can offer a win-win in terms of capitalizing on opportunities for growth and delivering social impact.

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[1] International Energy Agency (2017). *World Energy Outlook 2017*. Available here.

[2] The World Bank (2018). *Access to Energy is at the Heart of Development.* Available here.

[3] United Nations (2018). *Ensure access to affordable, reliable, sustainable and modern energy*. Available here.

[4] Edelman (2018). *2018 Edelman trust Barometer*. Available here.

[5] Porter, M. and Kramer, M. (2011). *Creating Shared Value*. Harvard Business Review. Available here.

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