

The Blockchain for the UN Charter Values & the SDGs Action 100 +

CONCEPT NOTE proposed by the think tank www.The-EPE.org chaired by Ms Dasa Silovic, former Special Advisor to the UN Assistant Secretary General and Assistant UNDP Administrator (Bureau for External Relations and Advocacy) on issues relating to development cooperation partnerships.

Introduction.

The purpose of this ‘*global initiative*’ is to bring together 100+ networks and platforms dealing with sustainable finance to envisage a blockchain eco-system in support to the UN Charter values and the SDGs to be presented at the UN Multi-stakeholder Summit of the Future 2023.

The outcomes of this initiative will be presented in New York to the President of the 77th UNGA in June 2023 and contribute to the vision of UN Secretary-General António Guterres of UNGA 77 as “*a time to recalibrate multilateralism and strengthen the foundations of global cooperation.*”

The initiative process will be prepared by a steering committee, followed by global input collected during a global blockchain hybrid conference and regional consultations.

Objectives

Now is the time to take a major step towards a new development model: an inclusive and sustainable finance scheme that seeks out new community-based participation *supported by a distributed ledger technology (DLT) eco-system*. This potential global partnership initiative between 100+ networks and platforms will explore how, taking into account their respective mandate, they could contribute to build transparency and trust through a DLT eco-system, to contribute to the five priorities of the President of UNGA77:

- Reinforcing the basic principles of the UN Charter;
- Making significant and measurable progress in sustainability transformation;
- Aiming at integrated, systemic solutions;
- Enhancing the role of science in decision making; and
- Increasing solidarity to better endure new crises facing the world.

We are indeed at a pivotal moment in human history where the way we deploy distributed ledger systems offer the possibility to ensure the well-being of all and a "safe operational space for humanity", a feature that we have failed to accomplish in the past 40 years. This opportunity arises thanks to this digital decentralized empowerment tool for fighting corruption, tackling organised crime, restoring confidence, considerably increasing our efficiency, measuring our impact and protect our values, reorienting our economy and finances.

Integration of environmental, social and governance (ESG) considerations by companies, investors and financial institutions, and adoption of taxonomies by governments are not enough on their own to address the complex and multifarious challenges we face. The partnership proposed would focus on a digital system to generate a new form of dialogue and societal innovation generating trust along the value chain thanks to a blockchain eco-system and a ‘*situation room*’.

As the UN Secretary General stated “*Digitalization must democratise the governance of finance to democratise finance itself*”. The digital age brings about “*disruptors*” and “*game changers*” through DLT and tools such as smart contracts. These innovations may promote improved outcomes in the form of transparency and trust, efficient use of public and private funds, or more robust impact investments.

UN Bodies working with or on *blockchain* are, to our knowledge :

- FAO : Applying blockchain for climate action in agricultura ; Blockchain application in seafood value chains reports
- IFAD : Exploring the advantages of blockchain technology for smallholder farming
- ITU : potential of Blockchain application to the development of Smart Sustainable Cities report
- UNCTAD : Harnessing blockchain for sustainable development: prospects and challenges
- UNICEF : Leveraging Blockchain for Financial Inclusion ; UNICEF Venture Fund and Giga Call for Blockchain-based Software Solutions to Build Capacity and Empower Communities, blockchain application, Giga connect
- UNDP: Beyond bitcoin: Using blockchain to advance the SDGs ; Blockchain for Agri-Food Traceability reports
- UNEP : Blockchain for sustainable energy and climate in the Global South report
- UNHRC : Blockchain for refugees: great hopes, deep concerns blog
- UN Taskforce for Nature-related Financial Disclosures (TFND) : The Future of Nature Markets report
- World Bank Group Technology and Innovation Lab, in partnership with the IMF's Digital Advisory Uni : blockchain interoperability . Report.
- World Food Programme uses blockchain for direct payments

The Recommendation 8 of the UN Report of the Joint Inspection Unit Prepared by Petru Dumitriu “Blockchain applications in the United Nations system: towards a state of readiness” states : “*The executive heads of the United Nations system organizations, through the relevant coordination mechanisms, including with support from the United Nations International Computing Centre, should consider the adoption of a non-binding inter- agency blockchain governance framework for use by interested organizations, with a view to ensuring coherent and consistent blockchain approaches across the system by the end of 2022, including for projects that may involve multiple United Nations organizations*”.

According to *Blockchain for Good*, most blockchain initiatives (a representative subset of DLTs) can be grouped into ten main themes related to SDGs:

- (1) Funding and donations,
- (2) Environment, energy and climate,
- (3) Food and agriculture,
- (4) Transport and logistics
- (5) Gender and sexuality
- (6) Government and public services
- (7) Health and medicine
- (8) Banking and economics
- (9) Information, journalism, education and culture
- (10) Digital identity.

Regenerative Finance (ReFi) represents an economic evolution in both mindset and technology that can enable the rapid scaling of climate action required¹. ReFi is emerging as a key tool in innovative climate and nature finance. There are numerous blockchain initiatives related to the tokenization in sustainable finance². Beyond the peer-to-peer money transfer, programmable money is already finding concrete applications in four major areas directly supporting the Sustainable Development Goals:

¹ <https://medium.com/earthbank/regenerative-finance-refi-and-reaching-net-zero-43bcb5e100cc>

² <https://www.gdf.io/resources/esg-report/>

- Impact investing
- Sustainable economy and complementary currencies
- Financial inclusion
- Fundraising, aid and charity.

This is why the SDG 100+ should come together and explore, while keeping their specificities, how they could make use of a common DLT eco-system to provide transparency and accountability. This would form the basis for a permanent dialogue on the basis of the UN Charter Values and the SDGs. It would be game changer to better manage risks in the public interest, to build trust, generate innovations, provide economic and financial incentives, create new markets for financial stakeholders and business at large.

A list of the SDG Action 100+ is available.

Eco-system & Synergies between platforms and initiatives forming ‘clusters’. Listed, so far :

- Central bank and regulatory authorities (10)
- Multilateral Development Banks & Networks (22)
- Standards setting organisations (6)
- Issue- or sector-focused network organizations (15)
- Coalitions and Initiatives related to UN SDGs (18)
- Knowledge building organizations/events (14)
- Blockchain Technology-focused organizations (20)
- Science based platforms (6)

The Steering Committee would be composed of :

- UN and OECD bodies related to SDGs, blockchains and sustainable finance
- Blockchain platforms
- Sustainable finance platforms
- Sponsors

Programme and calendar. Under the authority of a Steering Committee, dedicated Teams will :

- launch on September 20, 2022 in New York, at the GBBC initiative, the process towards “The Blockchain for the UN Charter Values & the SDGs Action 100 +”
- propose to the SDG Action 100+ how they could develop a joint Distributed Ledger Technology *for UN Charter values and SDGs Partnership*, focused on transparency and validation to accelerate the transition to a new era, while we are facing, by its impacts, an unstable world and a major ecological crisis reflected by the state of planetary boundaries;
- prepare a global hybrid conference “*A Financial Spring for People and Planet*”, on finance and “distributed ledger technologies” with its “situation room” for UN Charter Values and SDGs, prior to that country hosting COP 28
- arrange , with interested parties taking the lead, consultations processes on the DLT eco-systems in support to UN Charter Values and the SDGs in three regions of the world³;
- present the outcomes to the President of UNGA77 in New York in June 2023;
- present the outcomes to the global financial centers⁴ in June 2023;
- invite the UN Multistakeholder Summit of the Future of September 2023 to take note of the initiative.

³ The Americas ; Europe & Africa ; Asia and Australasia

⁴ New York, London, Paris, Shanghai, Dubai (for the COP linkage), Singapore, Tokyo, Milan, Frankfurt