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Sustainable development goals and the way forward

This chapter critically evaluates the progress and challenges encountered at the mid-point of Agenda 2030 and its sustainable development goals (SDGs). Despite initial promising trends, the trajectory has been significantly hampered by the Covid-19 pandemic, global crises and climate-related disasters. The situation is particularly dire in the Global South, with fewer opportunities and resources for meaningful progress towards the SDGs. The European Union's strategic leverage lies in addressing these global inequalities and applying a holistic approach towards the implementation of Agenda 2030. It is imperative to address negative spillovers and bridge the financing gap, necessitating reforms of international financial institutions and fair debt-burden regimes. The chapter concludes by pointing out that the Global North cannot continue overlooking the exploitation inherent in its prosperity and that Europe's progressives must embrace Agenda 2030, recognising the need for a global perspective and challenging the outdated system perpetuating inequality.

In 2015, the international community came together to adopt a transformative and ambitious programme: Agenda 2030 and its 17 sustainable development goals (SDGs). These 17 interconnected goals were designed to address some of the world's most pressing challenges, from eradicating poverty and inequality to promoting environmental sustainability and peace. Now, as we have reached the midway point between 2015 and 2030, it is a pivotal moment to reflect on the progress made and the road ahead. When Agenda 2030 was developed as a successor to the millennium development goals, the world was another place. There was no Covid-19 pandemic, with several million deaths that brought public life and global supply chains to a standstill. Climate change was far less present in the debate, and a war in Europe with consequences for the whole geopolitical landscape was not on the cards.

Here, we look at the state of play and give an overview of achievements and shortcomings. In view of the recent SDG Summit 2023 during the United Nations General Assembly in New York, we elaborate on the way forward and the critical role that the EU should play in advancing the SDGs.

State of play

Before we discuss the future, it is important to understand where we stand today. The SDGs set an ambitious agenda, with 169 targets, covering a wide range of areas. Early efforts after the adoption of the SDGs showed positive trends in reducing extreme poverty and child mortality, advancing gender equality, increasing access to electricity and promoting renewable energy sources.

However, the progress was fragile and the Covid-19 pandemic wiped out most of the first achievements. Today, we see a bleak picture of rising global inequalities, hunger and poverty, and overall progress on the SDGs has stalled severely. Recent global events, the war in Ukraine and climate-related disasters have further exacerbated these challenges.

At the halfway point for the implementation of the SDGs to 2030, the situation is dire. About half of the goals for which trend data is available are off track and more than 30% have either stagnated or fallen back from the 2015 baseline.¹ Especially, the promise of leaving no one behind, a core principle of Agenda 2030, is under threat: predictions suggest that, without substantial changes, 575 million people will still be living in extreme poverty by 2030. Hunger levels have returned to those of 2005 and progress in closing gender gaps is slow. Education is suffering from years of underinvestment, leaving an estimated 84 million children out of school and 300 million unable to read and write by 2030.²

Moreover, the climate crisis presents a significant challenge. With the constant rise in global temperature and the slow transition towards renewable energy, millions of people are losing their living environment. Rural and socially vulnerable populations are hit the hardest. These regions often endure the worst of climate-related disasters, sea-level rises and changing weather patterns. By 2050, there could be over 140 million climate refugees, as many as 86 million alone in Sub-Saharan Africa.³

The lack of progress toward the SDGs affects all nations, but the burden disproportionately falls on countries in the Global South. These nations face a complex web of challenges, including economic disparities, historical inequities, climate change and the fallout from the Covid-19 pandemic.

Historical global injustices continue to play a pivotal role in exacerbating the disparities between countries in the Global South and their counterparts in the Global North. These historical injustices include colonial legacies, unequal trade relationships and exploitative economic systems that have left many countries at a significant disadvantage. The enduring impacts of these systemic inequalities hinder their ability to access resources, financing and technology necessary for sustainable development. The pandemic has deepened the disparities, with many countries in the Global South struggling to access vaccines, medical supplies and economic relief. The economic impacts of the pandemic have been severe and have not yet been overcome.

1 SDSN SDG Report 2023.

2 SDG Report 2023.

3 World Bank Report 2021.

All of these factors contribute to the unequal burden share for countries in the Global South, making it even more challenging for them to allocate resources to sustainable development. They have fewer opportunities and resources to make meaningful progress towards the SDGs, perpetuating the global divide. Addressing these disparities requires international solidarity, equitable resource distribution and a strong political commitment. The 2030 Agenda can only be achieved if all countries pull on the same rope and everyone makes their fair contribution. In this regard, regular exchanges on global platforms can provide the necessary momentum, provided that concrete implementation measures follow.

Important summits in 2023: Turning points for Agenda 2030?

The High-Level Political Forum (HLPF) in July and the SDG Summit in September 2023 in New York were two important global platforms and have borne the hope of becoming crucial turning points for the realisation of Agenda 2030. Both meetings provided an opportunity for reviewing the SDGs' progress and for member states to reconfirm their will to achieve the common goals.

The political declaration was negotiated in the run-up to the HLPF by Ireland and Qatar and signed by all UN states during high-level meetings. Leaders reaffirmed their commitment to Agenda 2030 and stressed the need for urgent action on poverty and climate change. They expressed concern about slow progress on the SDGs amid increasing global crises and committed to bold, inclusive action for sustainable development. The declaration highlights the interdependence of peace, security and the SDGs, and promotes international cooperation and partnerships at all levels. It is a call to action for a more just and sustainable world.⁴

For the first time, the European Union presented its own voluntary review at the HLPF and showcased the state of play of SDG implementation as a bloc. This was an important exercise and a crucial signal of EU implication towards the achievement of Agenda 2030. With more than €50 billion annually, the EU is not only the largest donor of international aid in the world, but also an important driver of the global agenda. The report states that the EU is following a "whole-of-government" approach and that the SDGs are placed "at the core of EU policy": "all EU actions and policies contribute to the implementation of the SDGs".⁵

This is also a crucial element of the European Parliament's own-initiative report (INI) *Implementation and delivery of the SDGs*, drafted together by the Committees for Development and Environment ahead of the HLPF. Parliamentarians are calling for an integrated EU SDG implementation strategy that also envisages additional funding for the achievement of the goals.⁶

4 Political declaration.

5 EU VR 2023.

6 EP SDG Report 2023.

In its first voluntary review (VR), the European Commission summarised the successes of EU Agenda 2030 implementation. A delegation of the European Parliament (EP) was in New York for the occasion of its presentation at HLPF and the rapporteurs of the EP report were present on the panel together with Commissioners Paolo Gentiloni and Jutta Urpilainen and the President of the European Economic and Social Committee, Oliver Röpkke. This constellation was a very positive example of a holistic governance culture and as such also well received by the national representatives at the HLPF.

Over the past five years, there has been significant progress in achieving certain SDGs in the EU. Notably, in promoting “Decent Work and Economic Growth” (SDG 8), reducing poverty (SDG 1) and improving gender equality (SDG 5). Good progress has also been made in reducing inequalities (SDG 10), ensuring quality education (SDG 4) and fostering peace, security, access to justice (SDG 16) within the EU. Despite the challenges posed by the Covid-19 pandemic, remarkable achievements were realised in the areas of health and well-being (SDG 3) and innovation and infrastructure (SDG 9). Room for improvement remains regarding environmental concerns. The EU has set ambitious climate and energy targets for 2030, indicating likely progress in the coming years. As for global partnerships (SDG 17), trends reflect the impact of the Covid-19 crisis, including increased public debt.⁷

However, in an increasingly interconnected world, the actions taken by countries in pursuit of sustainable development often have far-reaching consequences, both positive and negative, on other nations and their capacity to achieve the SDGs. The EU VR, therefore, also shows the spill-over effects of the EU on partner countries.

For instance, in 2020, the EU’s consumption contributed to a staggering 9.3% of global CO₂ emissions, signifying a substantial environmental impact and accentuating the adverse spill-over effects of the EU’s consumption on other countries. As stated in the EP report, if the world’s population were to consume as much as the EU, 2.8 Earths would be needed to sustain its demand for natural resources. Therefore, all EU actions must be checked for their positive and especially negative spill-overs, to reduce global inequalities and enable a virtuous circle.

Fighting inequality: Strategic leverage to achieve Agenda 2030

In an era where inequalities persist both within and between countries, addressing these disparities stands at the core of Agenda 2030. The fight against inequality has the potential to be used as strategic leverage and become a driving force in advancing the global development agenda.

Rising inequalities are a global challenge, and the EU has considerable influence to promote policies that foster equity. This encompasses prioritising poverty reduction and

⁷ Eurostat SDG Report 2023.

sustainability in international development, trade and investment. One simple example are school feeding programmes. SDG 2, focusing on ending hunger and enhancing food security, provides a path where the EU can make a substantial impact. Initiatives such as school feeding programmes have the power to alleviate hunger among children, not only addressing a fundamental need and increasing their health, but also improving access to education, contributing to gender equity and prospects for a better future.

This is also in line with the gender-responsive approaches to foreign policy that have been gaining momentum around Europe. By August 2023, 13 countries had committed to adopting Feminist Foreign Policy (FFP) approaches. FFP is committed to gender equality, inclusive policies and international cooperation. As it helps address gender disparities and structural inequalities, while promoting a more holistic and inclusive approach to international relations and development, it can be a valuable tool for advancing the SDGs. This aligns with the whole-of-government approach that fosters collaboration and coordination across various government departments and stakeholders. To improve SDG implementation, it is crucial to create an environment of inclusiveness and empowerment at all levels of society and government.

Following a holistic approach is pivotal to ensure the efficiency and effectiveness of development assistance. The EU can play a vital role in enhancing aid coordination, aligning it with the SDGs, and investing in innovative development projects and capacity-building programmes. This will ultimately improve the impact of aid, especially in developing countries, bringing us closer to a more equitable world.

The European Commission under the leadership of Commissioner Urpilainen and on the initiative of the Socialist & Democrats Group in the EP has now taken an important step in this direction. The new 'inequality marker' was developed to check programmes and measures in the field of European development cooperation to see whether they actually serve the weakest 40% of the societies. In that way, it can be systematically and verifiably shown that the funds are used where they are most urgently needed. And programmes can be adapted, if the indication is insufficient.

Tackling inequalities is not only a moral imperative, but also an essential driver of sustainable progress. Through more policy coherence and improved aid effectiveness, the EU can play a crucial role in advancing the global agenda to create a more equitable world for all. As has been mentioned several times above, this requires the appropriate funding.

Better financing

One of the most significant challenges in achieving the SDGs is the financing gap. The annual financing needs for achieving the SDGs are estimated at \$4.2 trillion, thus over €3.8 trillion. For Africa alone, the sustainable financing gap by 2030 is around \$1.6 trillion (€1.4 trillion). This means additional funding of around \$194 billion (€177 billion) annually for the African continent alone to finance the achievement of the SDGs by 2030.⁸

⁸ OECD 2023.

To close this financing gap, various components are necessary. Firstly, and most obviously, it needs more money. Official development assistance (ODA) remains a critical source of funding for many SDG-related projects, particularly in the least-developed countries. Unfortunately, the EU and its member states have not fulfilled their collective commitments to provide at least 0.7% of gross national income (GNI) as ODA. Additionally, in February 2023, the SDG stimulus was launched by the UN secretary-general, as a response to the economic shocks caused by the pandemic, the war in Ukraine, rising food and energy prices, and tighter financial conditions. The initiative seeks to increase SDG financing and investment by a minimum of \$500 billion annually, primarily through the expansion of affordable long-term financing provided by multilateral development banks.

Another tightly connected, crucial aspect: there must be an urgent rethinking of the international financial institutions and a comprehensive and rapid reform. The International Monetary Fund, the World Bank, and the European and national development banks must refocus their priorities on social cohesion and the fight against climate change.

Right now, the number of countries spending more on external debt servicing than on education and health is steadily increasing. It is therefore, thirdly, absolutely essential to introduce a fair and sustainable debt-burden regime for the most indebted nations. Countries that introduce free school meals and promote sustainable value addition should be supported in doing so, not prevented from making the necessary investments because of a lack of financial means.

A further vital element to consider is the consistent effort to combat tax havens. This alone can help many countries become stronger and more independent. Curbing illicit financial flows could, according to United Nations Conference on Trade and Development, almost halve the annual financing gap of nearly \$200 billion that Africa faces to achieve Agenda 2030. We should drive forward the digitisation of tax and customs administrations with joint pilot projects to ensure that the economic returns generated are also available to the respective countries.

To get Europe back on track, the Commission urgently needs to develop an EU SDG implementation strategy. This strategy should include the formulation of specific, measurable and time-bound targets and indicators, applicable to all member states and supported by concrete actions to achieve them. It also needs an updated monitoring system and indicators that take into account the EU's internal actions and their global impact on the progress of the 2030 Agenda. For this, the European Parliament calls for creating a single, integrated financial plan that is closely linked to these goals. This financial strategy will ensure the allocation of the necessary resources and investments required to promote sustainable development across the EU.⁹ If these interlocking factors are implemented globally, the funding gap could be closed effectively and the achievement of the SDGs would once again be within reach.

9 EP SDG Report.

Ways forward: Beyond 2030?

As we look ahead beyond 2030, the SDGs must continue to serve as our guiding light for global progress. The difficulties the world is facing in their implementation should not discourage us from pursuing the goals. If anything, the ongoing crises demand even more focus on fighting inequalities and poverty on our planet and to empower our partner countries to set themselves on the path to sustainable development and building resilient, equal and just societies.

However, we can observe that many powerful stakeholders are still operating within the logic of the classical national welfare state model. This model originated during the era of industrialisation and the uprising labour movement, primarily in Europe and North America. Nevertheless, today, we still act as if it were the global reality or the sole truth. The fact that our wealth is essentially based on the exploitation of natural resources, as well as of countries in the Global South, is largely overlooked.

This bubble of prosperity, which has securely surrounded us for many decades, has developed cracks in the past and is finally bursting. The reality of the world is crashing down on us. Particularly, youth and opposition movements in the Global South are increasingly addressing the injustice. People are outraged, challenging the status quo, and revolting against the outdated system of the rich North and the exploited South.

Europe's progressives therefore have to make Agenda 2030 their own. We need to undergo a reality check and finally realise that we are confronted with a global society. The insular view of our Western reality must end. Once this step is taken, the view will become clear for creating a new global framework.

Right now, the social democratic movement is called upon for the second, and perhaps last, time in history to fulfil its mission: to fight for justice, social inclusion and sustainability. The multiple crises currently shaking the world fundamentally create a social democratic momentum. The question now is whether the social democratic movement still holds the answer.

This time, we must apply our core idea not only to the comfortable island we have created for us, but to the world as a whole. In contrast to the past, we must stand against the exploitation of our planet and people worldwide. We cannot fail our commitment to leaving no one behind. Otherwise, we would fail humanity and our values for a fair, inclusive and sustainable world.