August/2023

country report



KAS New York

High-Level Political Forum on Sustainable Development 2023 – a blueprint for the SDG Summit?

How can we build on the momentum from the HLPF for a successful SDG Summit?

Erica Mumford, Program Manager, KAS New York

In July 2023, Member States came together to assess progress on the 17 Sustainable Development Goals (SDGs) at the United Nations (UN) High-Level Political Forum (HLPF) on Sustainable Development. As we reach the halfway point to the deadline of achieving the 2030 Agenda, the HLPF discussions concentrated on the key policy areas in which accelerated progress is needed. At this critical inflection point, only 12% of the 140 SDG targets are on track and the UN Secretary-General's latest SDG Progress Report issues a dire "Rescue Plan for People and Planet" to put the world on a better path. The SDG Summit, taking place from 18-19 September 2023 in New York, will be an opportune moment to reverse our current trajectory and redouble efforts towards SDG implementation. This country report offers a synthesis of key themes from the HLPF and prospective outlook on the SDG Summit.

Background

The HLPF is convened annually under the auspices of the UN Economic and Social Council (ECOSOC) for the review of the 2030 Agenda for Sustainable Development and the SDGs at the global level. In 2023, the HLPF convened under the theme, "Accelerating the recovery from the coronavirus disease (COVID-19) and the full implementation of the 2030 Agenda for Sustainable Development at all levels". While recognizing the interlinked nature of all SDGs, the HLPF reviewed in-depth: SDG 6 (clean water and sanitation), 7 (affordable and clean energy), 9 (industry, innovation and infrastructure), 11 (sustainable cities and communities), and 17 (partnerships for the Goals). Member States shared experiences conducting Voluntary National Reviews (VNRs) and lessons learned from pursuing the 2030 Agenda amidst interlocking global challenges.

Similar to the ECOSOC-led HLPF, the SDG Summit taking place from 18-19 September 2023 will be convened under the auspices of the General Assembly. The SDG Summit will be a unique

opportunity for stakeholders to review overall implementation of the 2030 Agenda since 2015, with a view to provide political guidance, propose recommendations, and commit to joint actions for rescuing the SDGs.

This will mark the second time an SDG Summit is convened. In September 2019, the first SDG Summit resulted in the adoption of a political declaration to mark the decade of action and delivery for sustainable development.¹

Where do we stand at the halfway point?

Today's world is vastly different from that of 2015 when the SDGs were adopted. The interlocking crises of climate change, biodiversity loss, water and food insecurity, political violence, and armed conflict effect all societies, whether directly or indirectly. The brunt of these crises are disproportionately endured by developing countries, which often have less capacity to cope than developed countries. The global pandemic, war in Ukraine, and climate-related disasters have only exacerbated economic malaise and

exposed pre-existing structural inequalities around the world. For the first time on record, the global Human Development Index declined two years in a row (in 2021 and 2022), and three decades of steady progress in poverty reduction was reversed for the first time in a generation.²

In the opening of his SDG Progress Report, UN Secretary-General António Guterres reminds us that the promise of the SDGs is in peril. Under the business-as-usual approach, in which progress continues at the current trajectory, not only will we fail to achieve the SDGs but we will eventually lose development gains mid-century.³ To secure positive future development scenarios and ensure no one is left behind, we urgently need to fill the gaps in global governance and reorient systems to effectively harness the long-term trends shaping our world, from digitalization to climate change.

Breakthrough policies for people and planet

Amidst this outlook, we must not lose sight of the potential to double down and accelerate progress to achieve the SDGs. The HLPF and upcoming SDG Summit offer opportunities to recapture a spirit of optimism, solidarity, and action. The SDG Summit will be the time for Heads of State and political leaders to lay down concrete commitments for SDG acceleration, which will be put forth in a Political Declaration, and some of which will comprise a set of 12 High Impact Initiatives. The HLPF offers valuable insights into what these actions and proposals will consist of. The following section offers an overview of key policy areas identified during the conference proceedings and prospective outlook for a successful SDG Summit.

Financing for development

Progress on SDG 17 – strengthen the means of implementation and revitalize the global partnership for sustainable development – has been mixed. An estimated USD 3.9 trillion is needed between now and 2030 to enable

The development financing gap is widening despite commitments made by States. Official Development Assistance (ODA) targets agreed to (at 0.7% of gross national income) and endorsed at the highest levels as the "gold standard" of foreign aid remain unmet by Development Assistance Committee members, apart from Denmark, Germany, Luxembourg, Norway, and Sweden, as of 2022. Implementation of the Addis <u>Ababa Action Agenda</u>¹ commitments to finance the SDGs also remain unfulfilled.5 The lack of implementation of these financial commitments extends across all major policy areas, including strengthening revenue administration and tax policy, reducing remittance costs, fighting illicit financial flows, ensuring long-term debt sustainability, and promoting access to financial services.

Weak external financing is compounded by the absence of efficient administration, lack of trust from investors, and debt distress in developing countries. Today, 3.3 billion people live in countries that spend more on interest payments than on education or health. Furthermore, as of November 2022, 37 out of 69 of the world's poorest countries were either at high risk or already in debt distress, while one in four middle-income countries, which host the majority of the extreme poor, were at high risk of fiscal crisis.⁶

If Africa is to be the heart of SDG acceleration in years to come, the SDG Summit must secure commitments for international financial architecture reform. A key proposal in this context will be the UN Secretary-General's two-pronged approach that aims to secure a surge in SDG financing while simultaneously reforming the international financial architecture to make it equitable, resilient, and accessible for all. The

(A/RES/69/313) provides an overall financing framework for the 2030 Agenda, detailing the commitments included in Goal 17.

developing countries to invest in the transitions needed to achieve the goals.⁴ In Africa, the gap between the financing needed to achieve the SDGs and the availability of financial resources averaged USD 194 billion annually for 2015-21, which is equivalent to less than 0.2% of the global stock of assets under management.

¹ The Addis Ababa Action Agenda, adopted at the Third International Conference on Financing for Development in 2015 and endorsed by the UN General Assembly

proposal for reform includes recommendations across the areas of, inter alia, debt relief, international public finance, the global financial safety net, addressing short-termism in capital markets, and the global tax architecture. A key enabler for change will be the SDG Stimulus, which calls for an increase in financing for sustainable development of at least USD 500 billion per year. Best phrased by the UN Secretary-General in his own words: "Delivering on the SDG Stimulus by September is sine qua non to a successful Summit."

The 2023 Private Sector Forum, organized by the UN Global Compact and UN partners, will take place during the SDG Summit to mobilize business ambition and investments. Further, the SDG Summit discussions around mobilizing finance will also establish a bridge to the Highlevel Dialogue on Financing for Development (FfD), to be convened during the General Assembly High-level Week in September 2023.

Strengthening networked multilateralism

Governments cannot rise to the scale of today's challenges alone. Networked multilateralism, in which States and non-State actors collaborate to achieve common goals, will be the bread and butter of the Rescue Plan for People and Planet. The latest report from the High-Level Advisory Board on Multilateralism, "A breakthrough for people and planet", recognizes the need to rebuild trust in multilateralism through inclusion and accountability. The HLPF discussions echoed this sentiment through calls for a more inclusive and representative UN system, including via proposals for UN Security Council reform to more accurately reflect today's geopolitical landscape. There is also interest from Member States to improve upon VNRs as an instrument for reporting on SDG progress by involving a wider range of stakeholders. For instance, Voluntary Local Reviews (VLRs) have grown in popularity and reflect the contribution of sub-national stakeholders, such as local communities, in implementing the SDGs.

New modalities for cooperation and partnerships were also discussed at HLPF, with a focus on the contribution of the private sector and investors in the 2030 Agenda. The SDG Business Forum, on

18 July 2023, took place alongside policy debates of the HLPF and demonstrated the strong business case for a range of high-impact business solutions to turbo-charge the SDGs in the next seven years. Multistakeholder initiatives and good practices of companies to reach net-zero and advance sustainable, circular economic policies were highlighted throughout the forum. For example, the Business Coalition for a Global Plastics Treaty brings together businesses and financial institutions to support the development of an ambitious international legally binding treaty to end plastic pollution. Another example of collaboration with the private sector is the Consumer Goods Forum, which brings consumer goods retailers and manufacturers together globally to advance sustainable supply chains. Public-private partnerships were also highlighted by Member States as a best practice for attracting external investors by lowering the risk connected to business opportunities in developing countries.

In the area of digitalization, close consultation with scientists and the research community was seen as key to bringing in the expertise needed to effectively understand and regulate new technologies. While obligations on the private sector are increasingly seen as fundamental to SDG progress, the role of States remains primordial — the private sector will not step in until the public sector creates an enabling environment for science, innovation, trade, and investment.

Science, Technology and Innovation (STI) for the SDGs

Ensuring access to digital technologies is essential to facilitate the meaningful contribution of all within society. In 2022, an estimated 66% of the world's population, or 53 billion, used the Internet, compared with 41% in 2015. While progress has been made on SDG Target 17.8 — strengthen the science, technology and innovation capacity for Least Developed Countries — increased investment in infrastructure and digital skills will be needed to reach to goal of connecting everyone by 2030.

The transformative potential of new technologies like Artificial Intelligence (AI) are constrained by

basic energy access, infrastructure, and connectivity. Nearly <u>one-third of humanity (2.9 billion people) remains unconnected</u> to the Internet and <u>675 million people globally lack energy</u>, mostly in Africa and Asia. In Africa, the electricity deficit costs the continent between 2-4% of its GDP annually, undermining sustainable economic growth, job creation, and investment opportunities. These disparities between and within countries to harness STI capacity has given rise to a digital divide, which in turn, could lead to increased socio-economic and gender inequalities and exclusion due to lack of basic connectivity, technology skills, and access.

Several multistakeholder initiatives to advance digitalization for all were highlighted during the HLPF, including:

- The Joint International Telecommunication Union (ITU)-UN International Children's Emergency Fund (UNICEF) Giga initiative which seeks to connect every school to the Internet by 2030;
- ITU's Partner2Connect Digital Coalition which pledges to mobilize USD 100 billion by 2030 for connectivity and to accelerate investment;
- The European Union's Global Gateway project seeking to mobilize up to 300 billion euros of investments between 2021-27 to meet global infrastructure development needs and to boost smart, clean, and secure links in digital, energy, and transport sectors, and;
- Microsoft's Airband initiative which aims to close the digital divide and build digital infrastructure required for universal Internet connectivity.

During HLPF, Member States' recommendations touched on allocating budgets to Information and Communication Technologies and overcoming challenges to connect rural areas to the Internet. The current mismatch between the skills and digital infrastructure of government institutions prevents them from fully leveraging technology for decision-making and e-governance systems. To fill the digital skills gap, capacity building and education will be critical to equip people, especially youth as well as civil servants, with the

ability to leverage technology and data to the fullest. Providing incentives for governments to enter into new data sharing agreements and establish effective data governance systems will also be key to overcome these gaps. A shift in mindsets that digitalization is a key driver for change was emphasized in this regard as a means to accelerate change.

There is also a recognized need for a global data governance approach that would set norms, principles, and actions to establish a humancentered digital future while leaving no one behind, as reflected in the UN Secretary-General's proposal for the development of a Global Digital Compact. To build on this momentum, SDG Digital Day will be organized by the ITU and UN Development Programme (UNDP) on 17 September to see how digital technologies can support the SDGs.

Building off these developments, the SDG Summit will tackle Energy Compacts and digital public infrastructure among the 12 High Impact Initiatives, recognizing the need to mobilize investments and partnerships to scale-up energy access and digital infrastructure as key to accelerating progress on the SDGs.¹¹ The SDG Summit will also address these challenges during a discussion on applying science, technology, innovation, and data for transformative action.

Evidence-based measurement

It is important to be transparent about the progress, or lack thereof, of our pathway towards the 2030 Agenda. However, on SDG Target 17.19 – measures of progress on sustainable development and statistical capacity-building in developing countries – international funding for data and statistics in 2020 decreased by over USD 100 million from funding levels in 2019 and 2018, respectively¹² – marking a decline of 16% since 2015. Further, some 40% of National Statistics Offices saw a drop in funding during the pandemic.¹³

The HLPF called for increased investment for research and analysis of SDG progress. While the recent increase in global research and development spending is encouraging, resources must be rebalanced to ensure that more

investment is directed towards the Global South to enable low-income countries to participate more fully in scientific research.¹⁴ Evidence-based measurement also includes reviewing lessons learned, increasing understanding of the core transformative elements of the SDGs, and ensuring a greater policy space for civil society.

Strengthening capacity building and governance

Equipping governance institutions for sustainable transformation is one of the focus areas for the SDG Summit, as well as a key aspect of delivery on the Rescue Plan for People and Planet as highlighted by the UN Secretary-General. Capacity building is considered a fifth lever to bring about transformation in the 2023 Global Sustainable Development Report. The actions needed to meet the scope of global challenges will only be possible with strong institutions. Capacity building is needed to support the role of governments in creating new policy and regulatory frameworks, building trust within societies, and living up to international commitments. Partnerships must then rally behind governments to help scale-up technologydriven solutions.

During the SDG Summit there will be an initiative to build public sector capacities for the future, aiming to provide the support required to ensure that the public sector is equipped with the necessary skills for the future – including in data-driven policymaking and budgeting for the SDGs and supporting public sector innovation labs. ¹⁵ During the Summit, these issues may also be tackled during the leaders' dialogue on strengthening integrated policies and public institutions for achieving the SDGs.

SDG Summit: an opportunity to demonstrate global solidarity

The opportunity is ripe for leaders to join in solidarity during the SDG Summit and deliver on the Rescue Plan for People and Planet. With a business-as-usual approach, none of the SDGs will be achieved, and the development gains we

have made will be reversed mid-century. The global and national pledges governments make during the SDG Summit should match the scope of our unprecedented challenges and be made with future generations in mind. The 12 High Impact Initiatives on the agenda will seek to mobilize support to accelerate transformation in key policy areas. The UN Secretary-General has also urged States to convey a National Commitment to SDG Transformation during the Summit, which could include clear benchmarks to improve inequality and poverty levels by 2027 and 2030, together with nationally determined climate contributions. ¹⁶

The commitments made during the SDG Summit are expected to crystallize in a concise actionoriented Political Declaration that provides highlevel political guidance on accelerating implementation of the 2030 Agenda for the next seven years. This can only be achieved with the necessary political creativity and leadership to deepen commitments across all the transformative policy areas. It is hoped that investments and financial commitments are made alongside a strong demonstration of political will by Member States. For this reason, the SDG Summit will be held back-to-back with the UN General Assembly (UNGA) High-level dialogue on Financing for Development on 20 September 2023, aiming to renew global commitment to financing at the highest possible level.

- ¹ Political declaration of the high-level political forum on sustainable development convened under the auspices of the General Assembly, 21 October 2019 (A/RES/74/4).
- ² Report of the Secretary-General (special edition) "Progress towards the Sustainable Development Goals: Towards a Rescue Plan for People and Planet", 27 April 2023 (A/78/80-E/2023/64).
- ³ Report of the Secretary-General "Long-term future trends and scenarios: impacts on the realization of the Sustainable Development Goals", 5 June 2023 (E/2023/89).
- ⁴ Report of the Secretary-General (special edition), "Progress towards the Sustainable Development Goals: Towards a Rescue Plan for People and Planet", 27 April 2023, p.25 (A/78/80-E/2023/64).
- ⁵ Report of the Secretary-General "Biennial report of the review of the implementation of commitments made towards Africa's development", 6 June 2023 (A/77/908).
- ⁶ Report of the Secretary-General (special edition) "Progress towards the Sustainable Development Goals: Towards a Rescue Plan for People and Planet", 27 April 2023, p. 25 (A/78/80-E/2023/64).
- ⁷ Our Common Agenda Policy Brief 6: Reforms to the International Financial Architecture, May 2023.
- ⁸ Letter of the Secretary-General to Member States SDG Summit, available at https://www.un.org/en/conferences/SDGSummit2023.
- ⁹ Report of the Secretary-General (special edition) "Progress towards the Sustainable Development Goals: Towards a Rescue Plan for People and Planet", 27 April 2023, p. 24 (A/78/80-E/2023/64).
- ¹⁰ The New Deal on Energy for Africa: A transformative partnership to light up and power Africa by 2025, African Development Bank, 2018.
- ¹¹ Announcement on Initiatives to Accelerate the SDGs UN SDG Summit 2023, available at https://www.un.org/en/conferences/SDGSummit2023.
- ¹² Report of the Secretary-General (special edition) "Progress towards the Sustainable Development Goals: Towards a Rescue Plan for People and Planet", 27 April 2023, p.25 (A/78/80-E/2023/64).
- ¹³ Ibid, p. 28.
- ¹⁴ Multi-stakeholder Forum on Science, Technology and Innovation for the Sustainable Development Goals, Note by the Secretariat, High-Level Political Forum on Sustainable Development, 15 June 2023 (E/HLPF/2023/6).
- ¹⁵Announcement on Initiatives to Accelerate the SDGs UN SDG Summit 2023. Available at https://www.un.org/en/conferences/SDGSummit2023.
- ¹⁶ Letter of the Secretary-General to Member States SDG Summit. Available at https://www.un.org/en/conferences/SDGSummit2023.

Konrad-Adenauer-Stiftung e. V.

Erica Mumford Program Manager KAS New York www.kas.de/newyork

erica.mumford@kas.de



The text of this publication is published under a Creative Commons license: "Creative Commons Attribution- Share Alike 4.0 international" (CC BY-SA 4.0), https://creativecommons.org/licenses/by-sa/4.0/legalcode