

“The SDGs should remain the guidepost for sustainable development; their bedrock principles of social inclusion, universal access to public services, and global cooperation are needed to address major challenges like COVID-19 and climate change.”

-Guillaume LAFORTUNE, Arunima MALIK



Image Source: Wikimedia Commons. February 28, 2012. Congresswoman Claudia Coari Mamani chairs a forum on Social Inclusion Policies in the Raúl Porras Barrenechea room. Photo Credit: Congreso de la República del Perú from Lima, Perú. [https://commons.wikimedia.org/wiki/File:Foro_sobre_pol%C3%ADticas_de_inclusi%C3%B3n_social_\(6856880796\).jpg](https://commons.wikimedia.org/wiki/File:Foro_sobre_pol%C3%ADticas_de_inclusi%C3%B3n_social_(6856880796).jpg)



Guillaume LAFORTUNE
UN Sustainable Development
Solutions Network (SDSN)
France



Arunima MALIK
The University of Sydney
Australia

How to strengthen the EU's SDG leadership?

The SDGs represent European values. The EU, its institutions and Member States played a key role in the adoption of the 2030 Agenda, the SDGs, and the Paris Climate Agreement in 2015.¹ Article 11 of the Treaty on the Functioning of the European Union stipulates that “Environmental protection requirements must be integrated into the definition and implementation of the Union’s policies and activities, in particular with a view to promoting sustainable development”.² Some therefore see the SDGs as a “European Agenda” that the whole world has signed onto.³ In 2019, Europe became the

first continent to commit to achieving climate neutrality by mid-century, via the European Green Deal. The SDGs representing European values might explain the strong performance of the EU and individual Member States on the SDG Index.

The world needs strong leadership from the EU to restore and accelerate SDG progress globally. The COVID-19 pandemic is a setback for sustainable development globally. It has exposed the major weaknesses of the multilateral system and the glaring insufficiency of international development finance. Achieving the SDGs is fundamentally an investment agenda, yet the poorest half of the world lacks market access to capital on acceptable terms. Some argue that the world should scale-back SDG ambitions.⁴ In our view, the SDGs should remain the guidepost for sustainable development.⁵ Their bedrock principles of social inclusion, universal access to public services, and global cooperation are needed - more than ever - to fight COVID-19 and address other major challenges of our times, including climate change. In 2023, the UN will host, under the auspices of the General Assembly, the SDG Summit at the Heads of States level. Halfway through the SDGs, the EU can and should play a central role in catalyzing global efforts and commitments for the SDGs.

To ensure international legitimacy, the EU must address negative international spillovers, including those embodied in unsustainable supply chains. The EU generates negative international spillovers which undermine other countries’

ability to achieve their SDGs.⁶ Approximately 40% of the EU's CO2 footprint to satisfy its goods and services consumption occurs in other countries.⁷ EU's consumption is responsible for 16% of tropical deforestation;⁸ its imports of textile products are associated with 375 fatal- and 21,000 non-fatal accidents at work,⁹ and its food demand contributes to 16% of the particulate matter emissions outside the EU.¹⁰ Deglobalization and trade wars are not viable options as these would lead to a significant drop in living standards in the EU and globally.¹¹

We underline four major priorities to address the EU's international spillovers ahead of the 2023 UN SDG Summit.

International financing: The EU should push for major reforms of the international development finance system to support the SDGs and the Paris Agreement. As emphasized by the UN Secretary-General,¹² this should include a reform of the flawed credit rating system which does not give poorer countries access to capital markets to finance key SDG Transformations.¹³ Rich countries also bear a special responsibility when it comes to climate change and safeguarding the Global Commons; yet, they fell short in delivering on their commitment to mobilize USD 100 billion each year by 2020 to help poorer countries adapt to climate change and mitigate further increases in temperature. Some announcements made at COP26 go in the right direction, including the US and EU pledge to slash methane and the € 1 billion EU pledge to protect the world's forests.

SDG/Green Deal Diplomacy: EU leadership and diplomacy will be critical to advancing key multilateral processes towards achieving the SDGs at the UN General Assembly, the High-Level Political Forum on the SDGs, the G7 (under German Presidency in 2022), the G20 (under Indonesian Presidency in 2022), and the Annual Meetings of the IMF and the World Bank. Technical cooperation and knowledge transfer can support greater sustainability in producing countries. SDG/Green Deal Diplomacy can help achieve sustainable development worldwide and advance the EU's geopolitical interests.

Due diligence and other domestic measures: Businesses operating in the EU should be held accountable for the impacts they generate throughout their value chains. The forthcoming EU Due Diligence Act may help increase accountability and business reporting. Yet, the experiences of individual Member States, including France, suggest that such regulations will need strong enforcement and monitoring mechanisms. If well designed, measures like the proposed Carbon Border Adjustment Mechanism may help increase policy coherence, but they may also be seen as protectionist since they will inevitably impact trade partners, including poorer countries which are not responsible historically for climate change.¹⁴ The EU should also curb trade in waste and toxic pesticides.

Accountability, data, and statistics: Robust data systems are needed at the international, national, industry, and corporation level to track negative impacts throughout the supply chain, and to inform global action on addressing spillovers. The EU has already taken major steps in this direction, including via the work of the Joint-Research Centre,¹⁵ Eurostat¹⁶ and the European Environmental Agency.¹⁷ Over time, consumption-based metrics should become a part of official statistics. Finally, should the EU decide to submit a Union-wide Voluntary National Review, it should include a section on the EU's efforts and monitoring system to curb international spillovers.

References:

1. Guillaume Lafortune and Guido Schmidt-Traub, Exposing EU Policy Gaps to Address the Sustainable Development Goals, Study prepared by SDSN for the European Economic and Social Committee (EESC) (Brussels, Belgium, 2019).
2. European Union, 'Treaty of Lisbon: Amending the Treaty on European Union and the Treaty Establishing the European Community' (Official Journal of the European Union, 2007) http://publications.europa.eu/resource/cellar/688a7a98-3110-4ffe-a6b3-8972d8445325.0007.01/DOC_19
3. G Lafortune and others, Europe Sustainable Development Report 2021: Transforming the European Union to Achieve the Sustainable Development Goals (Paris, France: SDSN, SDSN Europe and IEEP, 2021).
4. Nature Editorial, 'Time to Revise the Sustainable Development Goals', *Nature*, 583.7816 (2020), 331–32 <https://doi.org/10.1038/d41586-020-02002-3>
5. Jeffrey D. Sachs, Guido Schmidt-Traub, and Guillaume Lafortune, 'Speaking Truth to Power about the SDGs', *Nature*, 584.7821 (2020), 344–344 <https://doi.org/10.1038/d41586-020-02373-7>

6. Thomas Wiedmann and Manfred Lenzen, 'Environmental and Social Footprints of International Trade', *Nature Geoscience*, 11.5 (2018), 314–21 <https://doi.org/10.1038/s41561-018-0113-9>
7. SDSN and others, Global Commons Stewardship Index 2021: Safeguarding the Shared Resources of the Planet (Paris; New Haven, CT; and Tokyo., 2021).
8. WWF, 'Stepping up? The Continuing Impact of EU Consumption on Nature Worldwide', 2021.
9. Arunima Malik and others, 'International Spillover Effects in the EU's Textile Supply Chains: A Global SDG Assessment', *Journal of Environmental Management*, 295 (2021), 113037 <https://doi.org/10.1016/j.jenvman.2021.113037>
10. A Malik and others, 'Making Globalisation and Trade Work for People and Planet: International Spillovers Embodied in the European Union's (EU's) Food Supply Chains' (SDSN, University of Sydney and GIZ Policy Brief, 2021).
11. Jeffrey D. Sachs, *The Ages of Globalization: Geography, Technology, and Institutions* (New York, USA: Columbia University Press, 2020).
12. UN Secretary-General, 'Secretary-General's Remarks to the General Assembly on His Priorities for 2022' (United Nations, 2022).
13. Jeffrey D. Sachs, Guido Schmidt-Traub, and others, 'Six Transformations to Achieve the Sustainable Development Goals', *Nature Sustainability*, 2.9 (2019), 805–14 <https://doi.org/10.1038/s41893-019-0352-9>
14. S Pleeck, F Denton, and I Mitchell, 'An EU Tax on African Carbon – Assessing the Impact and Ways Forward' (Center for Global Development, 2022).
15. S. Sala and others, Consumption and Consumer Footprint: Methodology and Results, Indicators and Assessment of the Environmental Impact of European Consumption, 2019.
16. Eurostat, Sustainable Development in the European Union: Overview of Progress towards the SDGs in an EU Context (Luxembourg: Publications Office of the European Union, 2021).
17. European Environment Agency, 'Textiles and the Environment: The Role of Design in Europe's Circular Economy — European Environment Agency', 2022 <https://www.eea.europa.eu/publications/textiles-and-the-environment-the/textiles-and-the-environment-the> [accessed 16 February 2022].