

# Update on the OECD's contribution to the 2030 Agenda for Sustainable Development

Submission of the Organisation for Economic Co-operation and Development (OECD) to the 2019 United Nations High-Level Political Forum on Sustainable Development

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#### Foreword

This is a special year for the 2030 Agenda. In September, for the first time since the adoption of the SDGs, leaders will gather at the United Nations in New York for a comprehensive stock take of global progress achieved thus far. This will be crucial to help us reinvigorate our efforts, identify shortfalls and correct our course for the SDGs where we are not on track.

Important challenges persist in the achievement of the SDGs. Some 10% of the global population still live in extreme poverty; 16% of students of lower secondary school age do not attend school<sup>i</sup> and the



figure climbs to 20% for girls<sup>ii</sup>. The proportion of undernourished people worldwide increased from 777 million in 2015 to 815 million in 2016<sup>iii</sup>. Since 1970, one tenth of the world's terrestrial biodiversity and one third of freshwater biodiversity have been wiped out, and we are on course to lose another 10% of terrestrial species by 2050<sup>iv</sup>. Our collective efforts to address climate change still fall far short of putting the world on a pathway in line with the Paris Agreement long-term temperature goal. Pathways reflecting current NDCs imply global warming of about 3°C by 2100, with warming continuing afterwards<sup>v</sup>.

Development is non-linear and the 2030 Agenda is relevant for all countries, regardless of their stage of development. When it comes to the OECD countries, as shown by our study Measuring Distance to the Targets, more than one third of our members are on average making progress toward the SDG targets on Health, Gender equality, Energy, Infrastructure, Means of Implementation, and all five "Planet" goals. However, more than half of our members have made little or no progress towards targets relating to Eradicating Poverty, Food, Education, Reducing Inequalities and on Institutions. And when it comes to Goal 8 on 'Promoting Sustained, Inclusive and Sustainable Economic Growth, Full and Productive Employment and Decent Work for All', a third of OECD countries is actually moving away from the SDG targets<sup>vi</sup>.

The High Level Political Forum (HLPF) plays a crucial role in sustaining the momentum around the Global Goals, providing a setting for the exchange of ideas and experiences, and helping to raise the bar. The focus of this year's HLPF on "Empowering people and ensuring inclusiveness and equality" resonates well with OECD's continuous efforts to address inequalities of opportunities and outcomes, and to place people's well-being at the heart of all policy-making. Partnerships, multi-stakeholder engagement and peer-to-peer exchanges are essential to the 2030 Agenda. To this end, since 2017, the OECD has convened the meeting of the members of the Council on the 2030 Agenda for Sustainable Development to bring together senior officials from its member and partner countries, international organisations and social partners. In the 2019 edition of the



meeting, we discussed inequalities, environmental objectives, and the financing dimensions of the 2030 Agenda, in line with the focus of UN deliberations at the HLPF this summer and at UNGA in September.

In this pivotal year, the OECD remains committed to playing the role of the "best supporting actor" in the SDG process putting its know-how, evidence, and tools at the disposal of countries. This includes supporting interested countries' institutional planning at all levels of government for implementation. We will continue to support the international community through our Action Plan on the SDGs adopted in 2016, leveraging expertise from the entire Organisation, and increasingly engaging in the UN processes through our office in New York.

The OECD will continue to work with the international community to design, develop and deliver Better Policies for Better Lives.



# Progress in the implementation of the OECD Action Plan on the Sustainable Development Goals

### Introduction

In December 2016, an <u>OECD Action Plan on the Sustainable Development Goals</u> (<u>SDGs</u>) was finalised and endorsed by the OECD Council. The Action Plan identifies OECD's core strengths and assets in relation to the 2030 Agenda for Sustainable Development endorsed by the UN General Assembly in September 2015, and describes how the OECD will support the achievement of the 2030 Agenda by focusing on four key areas of action:

- ✓ Action area 1: Apply an SDG lens to the OECD's strategies and policy tools.
- ✓ Action area 2: Leverage OECD data to help analyse progress in the implementation of the SDGs.
- ✓ Action area 3: Upgrade the OECD's support for integrated planning and policymaking at the country level, and provide a space for governments to share experiences on governing the SDGs.
- Action area 4: Reflect on the implications of the SDGs for OECD external relations.

The Action Plan was conceived as a living document, recognising that countries' needs and interests will evolve over time, and that the world will look profoundly different by 2030. The Action Plan also recognises that responsibility for implementing the 2030 Agenda lies primarily with countries and their governments. In this spirit, the OECD's initiatives with respect to 2030 Agenda respond to countries' priorities and are undertaken in collaboration with other international organisations and notably the United Nations system, to promote synergies and maximise impact.

This submission presents a summary of recent developments in the work of the OECD since the <u>OECD's submission to the 2018 HLPF</u>.

### Action area 1: Apply an SDG lens to the OECD's strategies and policy tools

Work to integrate a SDG lens in **existing OECD review processes** is ongoing. In 2018 member-led examples of country reviews and studies with explicit consideration of the SDGs included the <u>Environmental Performance Reviews</u> of Australia, Czech Republic and Hungary; the <u>investment policy reviews</u> of Cambodia and Viet Nam; the <u>Public Governance Review</u> of Paraguay, <u>OECD Digital Government Studies review</u> on Mexico, the <u>Economic Surveys</u> of Indonesia and the Netherlands and the <u>Development Assistance Committee (DAC) Peer Reviews</u> of Australia, France, Canada, the Slovak Republic, the European Union and Greece.

Several **OECD flagship publications** considered contribution to SDGs implementation in their analysis and recommendations. For example, the <u>Framework for</u>



<u>Policy Action on Inclusive Growth</u>, launched at the annual Ministerial Council Meeting in May 2018, provides guidance to implement a number of SDGs relevant from an inclusive growth perspective, e.g. on inclusive societies and institutions, and on addressing inequalities. The <u>Open Government Data Report</u>, published in September 2018, discusses how open government data can contribute to the achievement of SDGs. The 2019 edition of OECD <u>Going For Growth</u> flagship report, for the first time mainstreams environmental objectives and considerations to ensure the consistency of pro-growth policies and environmental objectives and climate change mitigation targets. The 2019 edition of the <u>Policy Coherence for Development</u> report includes a thematic chapter aligned with the theme of the 2019 HLPF on empowering people and ensuring inclusiveness and equality.

Turning to flagship publications with a development co-operation lens, the issues discussed in the <u>2018 Development Cooperation Report</u>, Joining Forces to Leave no <u>One Behind</u> are closely aligned to the overarching ambition of the 2030 Agenda and the theme of this years' HLPF. The 2019 edition of the <u>Perspectives on Global Development</u>, published in November 2018, focuses on rethinking development strategies and international co-operation to account for the multi-dimensional nature and non-linear pathways of development, as captured by the 2030 Agenda. The 2018 edition of the <u>Multilateral Development Finance</u> report maps concessional and non-concessional financial flows to, through and from multilateral organisations and contributes to the broader debate on the need for multilateralism to achieve the 2030 Agenda.

In terms of **regional analysis**, the 2018 Latin American Economic Outlook, jointly published in April 2018 with the United Nations Commission for Latin America and the Caribbean (UN-ECLAC), and the Development Bank of Latin America (CAF) in cooperation with the European Commission focuses on <u>Rethinking Institutions for Development</u>. It includes well-being analysis closely associated with several SDGs, spanning the areas of health, trust, governance, and equity. The 2019 edition published at the end of March focuses on <u>Development in Transition</u> and features a SDGs framework for LAC. The new continental flagship report <u>Africa's Development Dynamics</u>, produced jointly with the African Union (AU), was launched in July 2018. It supports SDG achievement aligned with the AU's *Agenda 2063*, and compares SDG advancement in Africa's five sub-regions. The 2019 Economic Outlook for Southeast Asia, China and India, (November 2018), focuses on improving urban transportation in cities, contributing to SDG 11.

The OECD is also mainstreaming SDGs in **sectoral analysis.** For example the 2018 edition of OECD's <u>Science</u>, <u>Technology and Innovation Outlook</u> analyses STI policies for SDGs, and makes the case for encouraging greater alignment between national research agendas and the SDGs to maximise synergies in public and private R&D investments. A SDG lens is also applied to cross-silo work on gender, governance, and budgeting. For example, in March the OECD launched the <u>Baseline Report on the 2015 OECD Recommendation in Gender Equality in Public Life</u>. The OECD is also developing work on specific demographics that is relevant for the 2030 Agenda. The



*OECD* Youth Inclusion project, with the European Union, was completed in May 2018, and produced a wealth of materials to support countries implementation of the SDGs in relation to youth well-being. This included reports, country-specific youth well-being policy reviews, policy toolkits, and a donor guidance. The <u>Social Protection System</u> <u>Review Toolkit</u>, published in December 2018 analyses the effectiveness of countries in establishing social protection systems that respond to the current and future needs of the people, linking to objectives in SDG 1. The 2018 OECD <u>Regulatory Policy Outlook</u> looks at regulatory impact analysis and ex-post evaluation of laws and regulations and at stakeholder engagement in rule-making, corresponding to SDG targets 16.6 and 16.7.

Implementation of the SDGs requires mobilisation of a broad suite of financial resources, including international public finance. Work continued to target **Official Development Assistance** (ODA) to countries and communities most in need. <u>Sector Financing in the SDG Era</u>, launched in November 2018, provides a comprehensive picture of official development finance allocations by sector, including health, education, energy and agriculture. It aims to provide policy makers and sectoral experts with insights for the 2030 Agenda in terms of sectoral strategies of development co-operation providers.

The realm of **public-private financing**, the 2017 <u>Blended Finance Principles</u>, provide a global standard for using development finance strategically to mobilise additional commercial finance towards the SDGs in developing countries. Under Canadian leadership, the Principles were highlighted by the G7, who committed to work to implement them, including to promote greater transparency and accountability of blended finance operations. The Principles subsequently fed into the *Tri Hita Karana Roadmap for Blended Finance*, which was launched in 2018 just prior to the International Monetary Fund (IMF)/World Bank Group Meetings, with very strong support from the government of Indonesia.

In January 2019, as part of the **Private Finance for Sustainable Development** week, the OECD launched a number of reports and tools to help mobilise private finance to achieve the SDGs. The report on <u>Social Impact Investment 2019</u>, <u>The Impact</u> <u>Imperative for Sustainable Development</u>, provides new guidance for policy makers in OECD and non-OECD countries, as well as providers of development co-operation, development financers, social impact investment practitioners and the private sector more broadly, to help them maximise the contribution of social impact investing to the 2030 Agenda. The report <u>Making Blended Finance work for the Sustainable</u> <u>Development Goals</u> includes a comprehensive assessment of the state and priorities for blended finance, presents an overview of actors and instruments, and discusses lessons learned from blending approaches, tracking and data, and monitoring and evaluation.

In continued efforts to support all countries in implementing the tax <u>Base Erosion</u> and <u>Profit Shifting (BEPS)</u> package, the *Inclusive Framework on BEPS* grew to 128 members, with over 60% being non-OECD Members. The *Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS*, which provides a way for



participating countries and jurisdictions (currently 87 countries have signed the convention and it has already entered into force for 20 of them) to reinforce their tax treaty network in line with the BEPS Project outcomes, entered into force in July 2018. The joint OECD-UNDP capacity building <u>Tax Inspectors Without Borders (TIWB)</u> initiative, covering the areas of tax and crime, has now resulted in tax revenue increases of over \$445 million USD since 2012. TIWB has completed 13 projects, 39 are currently operational, and there are 25 in the pipeline across all regions.

The OECD also continues to support countries' implementation of global standards for the exchange of information for tax purposes through its <u>Global Forum on</u> <u>Transparency and Exchange of Information for Tax Purposes (GFTEI)</u>, which has now grown to 154 members. Building on its delivery of technical assistance to more than 50 jurisdictions in 2017, the GFTEI Secretariat supported 50 more jurisdictions in 2018. A milestone was reached with the start of automatic exchange of financial account information among close to 100 countries. The GFTEI continues to bring support to developing countries so that they can fully benefit from this progress. The Global Forum's Africa Initiative grew to 29 African countries (from 9 in 2017).

Also in 2018, the OECD continued to support the <u>Platform for Collaboration on</u> <u>Tax</u> in partnership with the International Monetary Fund, UN, and World Bank Group, and continued work on a number of toolkits on to assist developing countries with high priority tax issues related to the BEPS Action Plan. The toolkit on *Indirect Offshore Transfers of Interests* will be published in 2019.

In May 2018, the Council, meeting at Ministerial level, adopted the Recommendation on the OECD Due Diligence Guidance for Responsible Business Conduct. Implementation of OECD Guidance on responsible supply chains in a number of specific sectors (e.g. minerals, garment and footwear, agriculture) continues to strengthen through country-specific support and cooperation at a regional level. For instance, through a project from 2018-2022 to promote responsible supply chains in Asia in partnership with Japan and five non-Members (China, Myanmar, the Philippines, Thailand and Vietnam).

Work on resource productivity and the circular economy provide support to countries in their efforts to achieve sustainable use of materials and other natural resources, and put in place an integrated management of waste and materials along their life cycle. For instance, in February 2019 the <u>Global Material Resources Outlook to 2060</u> was launched, which uses environment-economy modelling tools to project how global materials consumption will evolve in the future, the key drivers of these developments, and the impact on the environment. Work focussing on particular materials has also been developed. In May 2018, <u>Improving Markets for Recycled Plastics</u> was published. It analyses the recycled plastics value chain, identifies key obstacles to expanding and deepening these markets, as well as relevant policy interventions.

In November 2018, the OECD, together with UN Environment and the World Bank Group launched <u>Financing Climate Futures: Rethinking Infrastructure</u>. The report sets



out an agenda for how governments can move beyond the incremental approach to climate action and more effectively align financial flows with climate and development priorities. The OECD also launched <u>Effective Carbon Rates</u> report (September 2018) on pricing carbon emissions through taxes and emissions trading, providing recommendations to support government efforts on climate policy to decarbonise economies and achieve the goals of the Paris Agreement.

The forthcoming report (summer 2019), *Climate change mitigation through a wellbeing lens*, argues that the effectiveness of climate change mitigation will be enhanced if countries achieve (1) a two-way alignment between mitigation and other societal priorities and if countries (2) move beyond GDP as a measure of success towards wellbeing. The report identifies opportunities for two-way alignment in a number of sectors as well as indicators to monitor and track progress and supplement the SDGs.

The OECD also continues to contribute its experience and evidence in the areas of **biodiversity**, relevant to SDG15. The report <u>Mainstreaming Biodiversity for</u> <u>Sustainable Development</u> (July 2018) examines how biodiversity is being mainstreamed in national development plans and other strategies, across specific sectors in development co-operation, and how the monitoring and evaluation of biodiversity could be improved. The brochure on <u>Tracking Economic Instruments and Finance for</u> <u>Biodiversity</u> presents statistics on the biodiversity-relevant economic instruments and the finance they mobilise.

The OECD is also facilitating partnerships between governments and the private sector to advance the implementation of the 2030 Agenda and the business contribution to SDGs. For example, the Business for Inclusive Growth (B4IG) Platform brings together businesses and governments to reduce inequalities and promote inclusive growth in particular contributing to SDG8 on economic growth and decent work, SDG10 on inequalities and SDG17 on partnerships. Through the platform, participants share best practices, extend the knowledge base on the main business levers for inclusive growth (e.g. impact investing, hiring diversity, performance incentives) and commit to mutually agreed actions. A number of other platforms, such as the Private Finance for Sustainable Development platform, the Roundtable on Investment and Sustainable Development and FDI qualities, and the Emerging Markets Network accelerate action on the 2030 Agenda by leveraging private finance for SDG implementation in developing countries. In addition, the OECD's extensive work on responsible business conduct (RBC), most notably through the Guidelines for Multinational Enterprises and risk-based due diligence, can help governments and businesses advance the 2030 Agenda. Aligning and reinforcing RBC and development co-operation policies at the national level can help governments maximise their efforts toward achieving the SDGs and promoting better outcomes for people and the planet.



# Action area 2: Leverage OECD data to help analyse progress in the implementation of the SDGs

The OECD continues to contribute to the development of the **United Nations (UN)-led Global Indicator Framework for the SDGs** as an observer on the UN Inter-Agency and Expert Group on SDG Indicators (IAEG). The OECD is the custodian or partner agency on a number of indicators (see below), directly supplies data on official development assistance and other international flows, as well as data on gender-based legal discrimination through the <u>Social Institutions and Gender Index (SIGI)</u>, to the global indicator database maintained by the UN. The Organisation also continues to contribute data across a range of topics including policy coherence, education, environment, migration, gender, etc.

The OECD <u>Measuring Distance to SDG Targets</u> study continues to be used by countries in understanding where they stand on SDGs and identify priority areas for policy action. It has also been referenced in several countries' Voluntary National Reviews at the HLPF<sup>1</sup>. An update to the study (May 2019) includes expanded coverage of indicators, targets and countries. The update also includes an exploration of cross cutting issues in the SDGs such as progress over time and transboundary aspects of the 2030 Agenda. The May 2019 update (Figure 1 next page) finds that OECD countries are on average closest to achieving goals on Energy, Cities and Climate (goals 7, 11 and 13) and goals relating to Planet (Water, 6; Sustainable Production, 12; Climate, 13; Oceans, 14; and Biodiversity, 15). They are furthest from reaching goals related to inclusiveness, such as Gender Equality and Reducing Inequality (goals 5 and 10), with Food and Institutions (goals 2 and 16) also areas of weaker performance. However, it is important to underscore that this assessment is based only on what can be measured at present. Data coverage is poorest on some of the planet-related goals, such as Oceans and Sustainable Production, and best in relation to goals on Health and Education.

<sup>&</sup>lt;sup>1</sup> Belgium, the Czech Republic, Poland, Slovenia, the Slovak Republic and Sweden.



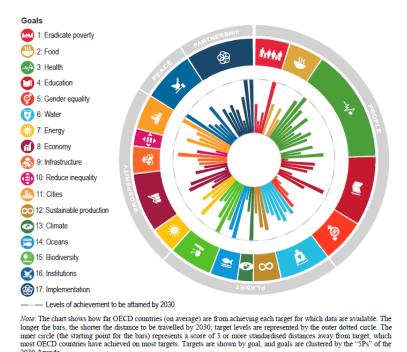


Figure 1: OECD Countries' average distance from achieving SDG targets

Time series data (available for 76 indicators) show that most OECD countries have been progressing towards targets relating to health, gender equality and all five Planet goals. The most notable areas of worsening performance pertain to Food (2.2.2 on obesity), Health (3.b.1 on vaccination coverage), Economy (8.1.1 on GDP growth, 8.2.1 on productivity growth, and 8.5.2 on unemployment) and Biodiversity (15.5.1 on the conservation status of major species groups and extinction risk over time). For most indicators, however, at least one third of OECD countries display no visible trend. The methodology of the study has also been applied to a specific demographic with the publishing of the working paper Child well-being and the Sustainable Development Goals (October 2018), which assesses the distance to the SDG targets relevant for children and young people.

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The OECD's 2018 edition of Education at a Glance included analysis on the status of SDG4 in OECD Members and Partners, in particular on SDG Target 4.5 regarding equity. Work is ongoing to further integrate the SDG4 framework into future rounds of OECD's Programme for International Student Assessment (PISA), the OECD Teaching and Learning International Survey (TALIS) and the Programme for the International Assessment of Adult Competencies (PIAAC) all of which contribute to SDG4 monitoring. The PISA for Development initiative is helping to increase coverage of PISA, and continues to progress on current pilots, while expanding potential involvement of more middle- and low-income countries.

The OECD continues to be a member of the UNESCO-led SDG Education 2030 Steering Committee that is responsible for overseeing SDG 4 and reports to the HLPF on progress. In 2019, where SDG4 is one of the focus targets at the HLPF, the OECD's



contributions focus on education financing, early childhood care and education, and the future of education.

The OECD continues actively providing expert advice for the development of indicators within **SDG16** that have never been collected by countries on a harmonised basis. In collaboration with the UN Development Programme (UNDP), this relates in particular to targets 16.6.2 (Proportion of the population satisfied with their last experience of public services) and 16.7.2 (Proportion of population who believe decision-making is inclusive and responsive, by sex, age, disability and population group).

The OECD Key Indicators of Informality based on Individuals and their Household (KIIbIH) were developed in fall 2018 and provide harmonised and comparable indicators across countries related to informal employment and social protection measured at the level of individuals and their households. The new database is of primary interest for policy makers engaged in the formalisation agenda and the extension of social protection, as included in SDGs 1.3 and 8.3.

The OECD set of <u>Green Growth indicators</u> and the <u>Core Set of Environmental</u> <u>indicators</u> include several indicators of relevance to the SDGs, and are being further developed and aligned with the SDG indicator list. Recent work has focused on the development of an internationally agreed methodology for measuring demand-based material flows (material footprints, SDG indicator 8.4.1 & 12.2.1) and on the use of earth observation and geospatial data to measure inequalities in exposure to air pollution (of relevance to SDG indicator 11.6.2) and land and soil degradation (of relevance to SDG indicator 15.3.1).

The 2018 edition of the <u>International Migration Outlook</u> (June 2018), provides updates on the **indicators of migration flows and policies**. The OECD also continues to partner closely with UN Department of Economic and Social Affairs (UN-DESA) and the International Organization for Migration (IOM) on development of relevant indicators.

As a member of the Inter-Agency Task Force on Financing for Development (IATF), in 2018 the OECD continued to support the thematic priorities of the IATF 2018 report, namely providing a stronger evidence base on the catalytic effect of ODA and blended finance principles, corporate sustainability and the effects of new technologies, as well as data on South-South cooperation and partnerships.

In November 2018, the OECD launched the <u>Global Outlook on Financing for</u> <u>Development</u>, as a revitalised, more holistic approach to Financing for Development, looking across all financial resources. The Outlook provides a framework, data and concrete solutions to navigate the new global development finance architecture. It develops an innovative methodology to unpack policy linkages across financing pillars and design policy recommendations that would support implementation of the Addis Ababa Action Agenda and the 2030 Agenda. A section on Global Outlook analysis regarding the catalytic effect of ODA features in the 2018 Report of the IATF.



In March 2018, an updated report on **philanthropic flows** and their impact, <u>Private Philanthropy for Development – The Development Dimension</u> was released, supporting better understanding around flows from private philanthropic organisations as well as how they operate, thus contributing to a better understanding of the impact and potential of philanthropy and its contribution to Agenda 2030.

Support to developing countries in improving their **statistics on domestic revenue** continued in 2018. The OECD's Revenue Statistics Programme now covers over 90 countries; and the new <u>Global Revenue Statistics Database</u>, launched in June 2018, is a major step forward in providing comparable and reliable tax revenue data. The <u>Revenue Statistics in Latin America and the Caribbean</u> 2018 edition (March 2018) covers 25 countries, in partnership with the Inter-American Centre of Tax Administrations, the UN Economic Commission for Latin America and the Caribbean, and the Inter-American Development Bank. The <u>Revenue Statistics in Africa</u> 2018 edition (October 2018) covers 21 countries (in partnership with the African Union and the African Tax Administration Forum).

Supporting developing countries to meet their national climate objectives is central to meeting global climate objectives (SDG 13.A). The OECD's <u>Climate finance from</u> <u>developed to developing countries</u>: <u>Public flows in 2013-17</u> published in 2018 shows that public climate finance from developed to developing countries increased by 44% from 2013 to 2017: from USD 37.9 billion in 2013 to USD 54.5 billion in 2017.

The 2019 update of the <u>Social Institutions and Gender Index (SIGI)</u> includes relevant SDG analysis covering all gender-related SDGs beyond SDG 5.1.1. on legal frameworks that promote, enforce and monitor equality and non-discrimination on the basis of sex. The update covers 180 and ranks 120 countries and includes a new policy reform simulator. Since April 2018, when the results were presented to the Interagency Expert Group (IAEG), the SDG 5.1.1 indicator has been upgraded as Tier II indicator, meaning that the SIGI methodology developed by the OECD, UN Women and the World Bank has been recognised as international standard. Analysis on <u>Women and Trade Networks in West Africa</u> was published in the OECD West African Studies series in March 2019.

In November 2018, the OECD Sahel and West Africa Club (SWAC) in collaboration with E-geopolis launched <u>Africapolis.org</u>, the only comprehensive and standardised geospatial database on cities and urbanisation dynamics in Africa. It is designed to enable comparative and long-term analyses of urban dynamics, covering 7500 agglomerations in 50 countries. This new data and analyses aims to improve policy makers' and researchers' capacity to better target resources and develop policies that support a managed urban transition, contributing to more balanced and **sustainable urban development** in line with the New Urban Agenda in Africa and SDG 11.

In December 2018, the OECD launched <u>Settling in 2018 – Indicators of Immigrant</u> <u>Integration</u>, in collaboration with the European Commission. This documents the **integration outcomes of immigrants** and their children in all EU and OECD countries,



as well as in selected non-OECD G20 countries through 74 Indicators, based on three strands: labour market and skills; living conditions; and civic engagement and social integration.

### Action area 3: Upgrade the OECD's support for integrated planning and policymaking at the country level, and provide a space for governments to share experiences on governing the SDGs

Between September 2017 and June 2018, the OECD engaged with the Slovak Republic to support the development of its forthcoming sustainable development strategy aligned with the 2030 Agenda. With an emphasis on SDG governance issues, the collaboration helped the Slovak Republic build their strategic foresight capacity; scope the right legal and institutional framework needed for cross-silo strategic collaboration and for setting medium and long-term national priorities; develop a measurement and indicator framework aligned with SDG implementation; develop the main elements of a national investment plan; and advance work on diversifying investment sources away from EU structural funds.

Targeted **country support in specific sectors** also continued in 2018. For instance, the *OECD Long-Term Projection Model* was used to help the Slovenian government to set targets on a number of key outcome variables (employment rate, productivity, GDP per capita, public finances, income distribution, clean energy and CO2 emissions) and identify policy measures so as to make progress towards the goals established in their National Development Strategy. In addition, the reviews on the SDG Governance undertaken for the Czech Republic, Slovak Republic and Slovenia have supported the alignment of national development strategies in these countries with the 2030 Agenda.

In January 2019, the <u>OECD Centre on Green Finance and Investment</u>, with the support of the Danish government, launched the Clean Energy Finance and Investment Mobilisation Programme, which will support the development of policy frameworks to attract finance and investment in renewable energy and energy efficiency. The programme will represent a five-year engagement in five selected emerging economies.

The **role of sub-national levels of government** is central to the implementation of the SDGs. In this vein, in June 2018, OECD launched the report on <u>Reshaping</u> <u>Decentralised Development Cooperation. The key role of cities and regions for the 2030</u> <u>Agenda</u>. In July 2018, the OECD launched the Programme on <u>A Territorial Approach to</u> <u>SDGs. A role for cities and regions to leave no one behind</u> at the HLPF. The first phase of the Programme includes five pilot territories: the city of Kitakyushu (Japan), the region of Southern Denmark (Denmark), the city of Bonn (Germany), the region of Flanders (Belgium) and the province of Cordoba (Argentina). In March 2019, the OECD launched the <u>OECD Roundtable on Cities and Regions</u> for the SDGs bringing together cities, regions, national governments, international organisations, private sector and other key stakeholders to identify trends and challenges in the localisation of the SDGs, including the experiences and key findings from the pilots of the programme.



The OECD <u>Multi-Dimensional Country Reviews (MDCRs)</u> build on the SDGs to support emerging and developing countries devise evidence-based development strategies geared at transformative action. The review process focuses on those crosscutting bottlenecks and capabilities that have the highest impact across all policy areas. Eleven countries have used the MDCRs to design their national strategies, most recently Thailand in 2018 and going forward Viet Nam and others.

With a view to encourage OECD Members to make better use of the SDGs as a common platform for development co-operation results, in January 2018 the OECD published <u>The 2030 Agenda and Development Co-operation Results</u>: A <u>Guide for Applying the Sustainable Development Goals</u>, <u>Targets and Indicators in Results</u> <u>Frameworks</u>. To develop further guidance, the OECD is conducting a series of case studies with partner countries to generate evidence, analysis and good practice examples of how development co-operation providers and partners can use the SDG framework as an entry point for co-ordinating around, investing in and using country-level results data which are aligned to the SDGs.

In an effort to continue to enhance policy and institutional coherence and make existing OECD tools more SDG-relevant, an inclusive process for updating the <u>Recommendation of the Council on Good Institutional Practices in Promoting Policy</u> <u>Coherence for Development</u> was launched in October 2018. The updated recommendation is expected to be adopted in fall 2019.

At a time where debate about universal social protection and inequality reduction are generating much debate, <u>Social Protection System Reviews</u> have been used by countries as a starting point for the analysis of policies and development of national social protection systems in support of SDG 1.3. Recent reviews include Kyrgyzstan (2018) and Indonesia (2019).

The OECD regularly collaborates with interested OECD Members and Partners through water policy dialogues to identify water security risks and provide practical policy, governance and financing options to address them. Most recently, in November 2018, the OECD launched <u>Managing the Water-Energy-Land-Food Nexus in Korea</u>: Policies and Governance Options. The report is the outcome of a water policy dialogue with Korea to assess the key bottlenecks within the water-energy-land-food nexus, and propose policy recommendations and governance arrangements to future-proof environmental integrity and enhance sustainable growth

# Action area 4: Reflect on the implications of the SDGs for OECD external relations

The OECD has maintained a presence at UN headquarters since mid-2016, with a view to **strengthening relations with the UN family** in the context of the OECD's role as permanent observer to both the UN Economic and Social Council (ECOSOC) and the General Assembly. The Special Representative engages with key UN processes on a day-to-day basis, supporting Members and Partners in, for example, their engagement



with the Second Committee (Economic and Financial Affairs), and representing the OECD in key fora such as the High-Level Political Forum on Sustainable Development.

The OECD, in collaboration with the UNDP, is supporting the **Japanese G20 Presidency** in preparation of the Osaka Update for the 2030 Agenda for Sustainable Development. This work delivers on the mandate from G20 leaders in Buenos Aires to review the G20's progress towards the SDGs based on the G20 action plan endorsed in Hangzhou in 2016. The report will take stock of collective and concrete G20 actions to date in support of the 2030 Agenda ahead of the G20 Leaders Meeting in Osaka and during a landmark year where the world's leaders will assess progress achieved against the SDGs at the 2019 UNGA.

The OECD continues to be an active partner with the International Labor Organisation (ILO) and UN Women in the **Equal Pay International Coalition** (EPIC). EPIC aims to advance gender equality, and support countries as they achieve the objectives laid out under SDG 5 and 8.5. In September 2018, the three organisations hosted a pledging event, where Heads of State, CEOs of multinational companies, and heads of employers', workers' and civil society organisations, came together to publicly demonstrate their commitment to accelerate progress towards closing gender pay gaps. In 2019, work will continue to improve the indicators, statistics and data on the gender pay gap.

In 2018, the OECD became a partner in the International Telecommunications Union (ITU) and UN Women **EQUALS Initiative**, whose focus is on achieving digital gender equality. This global network involves of international organisations, non-governmental organisations, corporate leaders and academia. The OECD contributed to the inaugural EQUALS research report, with analysis of skills and the gender wage gap in the digital era; and the OECD's work for the G20 on Bridging the Digital Gender Divide: Include, Upskill, Innovate (October 2018), benefited from collaboration with several EQUALS partners.

The OECD supported the **Global Deal for Decent Work and Inclusive Growth**, a multi-stakeholder partnership with Sweden and the ILO aiming to foster social dialogue as a way of promoting better-quality jobs and fairer working conditions. The flagship report, <u>Building Trust in a Changing World of Work</u> was launched in May 2018. In November 2018 the coordination of the Global Deal moved to the OECD, through the establishment of an OECD-ILO Support Unit.

The **Global Partnership for Effective Development Cooperation (GPEDC)**, implemented jointly with the UN Development Programme (UNDP) continues to implement an ambitious work programme to amplify the contribution of effectiveness to global development efforts and SDG implementation. This includes collecting evidence as the official source for measuring progress towards SDG targets 5.c, 17.15 and 17.16; adapting its monitoring framework to the 2030 Agenda; and developing guidelines and mechanisms for engagement with other stakeholders, including the private sector. In the run up to the first senior level meeting in July in the margins of the HLPF, the OECD is



leading preparations on gathering evidence on effectiveness of development at country and global level; adapting the monitoring framework to making it fit for purpose for the 2030 Agenda; and developing principles and guidelines for effective private sector.

The OECD continues to leverage its **regional programmes** and initiatives to share policy lessons and promote policy-dialogue to strengthen implementation of the SDGs. In April 2018, the <u>OECD South East Europe regional programme</u> published <u>Competitiveness in South East Europe: A Policy Outlook</u>, providing a comprehensive assessment of policy performance across 17 areas linking to multiple SDGs and including analysis of national strategies relating to sustainable development and other areas.

The OECD also continues to leverage its <u>LAC Regional Programme</u> (jointly implemented with the UN Economic Commission for Latin America and the Caribbean), whose objectives include support to countries in the region in SDG implementation. Its latest ministerial meeting, held in October 2018, focused on "Integrity for Good Governance in LAC" and resulted in the <u>OECD-LAC Integrity and Anti-Corruption Plan</u>. At the request of LAC countries, the OECD and the Inter-American Development Bank have also set up the Integrity Network for Latin America and the Caribbean to share lessons and exchange experiences. In October 2018, the network reviewed the *OECD Integrity Outlook for Latin America*, to be launched in 2019.

The <u>MENA-OECD Initiative</u> on Governance and Competitiveness for Development continues to focus on policy areas essential to ending poverty in all forms (SDG 1); achieving gender equality (SDG 5); promoting decent work and economic growth (SDG 8); fostering industry, innovation and infrastructure (SDG 9); reducing inequality (SDG 10); promoting peaceful, justice and independent institutions (SDG 16); and promoting partnerships for sustainable development (SDG 17), including by notably working closely with the League of Arab States, the UfM, UMA, UNDP, UNWomen, the ILO, the Islamic Development Bank, the World Bank and others. For example, the 2018 report in collaboration with the European Training Foundation and the European Commission, <u>The Mediterranean Middle East and North Africa 2018</u>: Interim Assessment of Key SME Reforms provides an in-depth analysis of major reforms undertaken between 2014 and 2018 to promote micro, small and medium-sized enterprise development in Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, the Palestinian Authority and Tunisia.

The OECD continues to provide space and opportunities for Members and Partners to share experiences related to SDG implementation. Since 2017, the OECD has held an annual meeting of the members of the Council on the 2030 Agenda for Sustainable Development. The 2019 Meeting of the OECD Council and Partners took place on the 6<sup>th</sup> of March and provided opportunities to discuss on inequalities, environmental objectives and financing issues and gathered senior representatives from over 60 countries and international organisations (please see highlights from the meeting below).



The <u>Global Forum on Development</u>, held in April 2018, focused on empowering women and youth as agents of change to promote more inclusive agendas and work towards SDG implementation. The Forum focused on solutions to the challenges of including youth in development processes, creating decent jobs for rural youth, recognising and reducing women's unpaid care and domestic work, and understanding the links between gender inequality and conflict/fragile contexts.

The <u>OECD Centre on Green Finance and Investment</u> is another important platform to leverage the OECD's policy and economics expertise and provide a global platform for engaging with key players and harnessing the marketplace intelligence of private sector partners. Its annual <u>Green Finance and Investment Forum</u> held in November 2018 focused on aligning financial flows with climate objectives and the SDGs, bringing together attendees from a range of sectors to identify opportunities for to help catalyse and support the transition to a green, low-emissions and climate-resilient global economy. The Green Growth and Sustainable Development Forum in November 2018 brought together OECD Members and Partners to share best practices on "Inclusive solutions for the green transition: competitiveness, jobs/skills and social dimensions".

At the end of 2017, the OECD, together with France and Mexico, launched the <u>Paris Collaborative on Green Budgeting</u> to develop new, innovative tools to assess and drive improvements in the alignment of national expenditure and revenue processes with climate and other environmental goals.

In October 2018, the OECD launched, within the Investment Committee week, the <u>Roundtable on Investment and Sustainable Development</u> (ISD), seeking to foster policy discussions and critical thinking for support to emerging and developing economies provided in the framework of the investment components of OECD regional programmes and with a view of aligning them with the SDGs more broadly. The roundtable is set up as a flexible and inclusive platform for members and non-member countries and a variety of non-governmental actors.

Since 2015, the annual <u>OECD Roundtable on Equal Access to Justice</u> deepens the understanding of member and partner country approaches for placing people at the centre of legal and justice systems. In the 2019 edition (28-29 March in Lisbon), the OECD released the report <u>Equal Access to Justice for Inclusive Growth</u>, <u>Putting People at the Centre</u>. Participants reflected on country progress to adequately invest in and improve access to justice in line with SDG 16, with a view to feed into the mobilisation around justice over the coming years, including in the context of the UN HLPF in 2019 focusing on empowering people and ensuring inclusiveness and equality.

The OECD is also working to mobilise support for SDGs through communication. For example, in November 2018 members of the OECD business platform <u>Emerging</u> <u>Markets Network (EMnet)</u> discussed with participants of the annual meeting of the OECD <u>Development Communications Network (DevCom)</u> on more effective communication for SDG5 on gender equality, as well as engaging with businesses as advocates for the SDGs.



The 2019 Meeting of the Members of the OECD Council and Partners on the 2030 Agenda for Sustainable Development

#### **Highlights**

Since 2017, the OECD has held an annual meeting with partner countries and institutions on the 2030 Agenda for Sustainable Development. The 2019 Meeting of the Members of the OECD Council and Partners on the 2030 Agenda for Sustainable Development took place at the OECD headquarters in Paris on 6 March and was opened by Angel Gurría, OECD Secretary General, and Ambassador Inga Rhonda King, President of the United Nations Economic and Social Council (ECOSOC), with a greeting by UN Deputy Secretary-General Ms. Amina Mohammed. As a common thread through the opening segment of the meeting was an urgent call to step up ambition and mobilisation for SDGs at all levels of government and across all stakeholders, as well as to champion multilateralism as the only form of engagement that gives voice to the vulnerable, the marginalised and those left behind.

As in previous years, the meeting provided participants with the opportunity for a political dialogue on progress, constraints, and lessons learned in the implementation of the 2030 Agenda. The topics chosen for this year's discussion sessions – inequalities, environmental objectives and financing issues – highlight the breadth and interconnectedness of the SDGs, and their universal nature. In a concluding session, OECD members took stock on progress in the implementation of the <u>OECD Action Plan</u> on the <u>Sustainable Development Goals (SDGs)</u>, adopted at the end of 2016 by OECD members to support the achievement of the 2030 Agenda.

# Addressing inequalities by empowering those left behind: promoting gender mainstreaming and skills and education policies that are fit for 2030

Mr. Richard Raši, Deputy Prime Minister of the Slovak Republic, Mr. Aziz Ajbilou, Secretary General, Ministry of General Affairs and Governance of Morocco and Ms. Ragnhildur Arnljótsdóttir, Permanent Secretary in the Office of the Prime Minister of Iceland reflected on national experiences and approaches on SDGs in confronting some of the most urgent challenges related to poverty, inequalities and exclusion.

Some 10% of the global population live in extreme poverty – predominantly in sub-Saharan Africa and fragile states.<sup>2</sup> Almost all OECD countries have met SDGs targets when it comes to absolute poverty, however relative poverty looms large, with 12% of the population living with less than half of the median income and 40% being economically vulnerable<sup>3.</sup> In addition, over the last three decades or so, inequalities have been on the rise in the majority of OECD countries and remain large in most of emerging<sup>4</sup>

<sup>&</sup>lt;sup>4</sup> Balestra et al., (2018).



 $<sup>^{2}</sup>$  As the 2018 OECD States of Fragility report shows, fragility and being left behind go hand in hand. More than 80% of the world's poorest people are projected to live in fragile contexts by 2030, many of which have the most unequal distribution of incomes in the world.

<sup>&</sup>lt;sup>3</sup> Balestra and Tomkin (2018).

and low-income economies. In terms of real disposable household income, the richest 10% earned on average one quarter of the total income and held about one half of the total net wealth across OECD countries in 2016.<sup>5</sup>

Women and girls are particularly exposed to poverty: 330 million women and girls live on less than USD 1.90 a day globally, which is 4.4 million more than men<sup>6</sup>. Across OECD countries, 12% of women live in poor households, which is 2 percentage points higher than men<sup>7</sup>.

Gender gaps persist in all areas of social and economic life, and in countries at all levels of development. OECD estimates suggest that globally discriminatory practices and laws restricting the access to education for women and girls induce economic losses of up to USD 6 trillion or about 7.5% of global income in 2017. When women do work, they are more likely to work part-time, are less likely to advance to management, are more likely to face discrimination and earn less than men. Across OECD countries, the gender pay gap among full-time workers remains almost unchanged at just below 15% since 2010 and gaps are especially large among high earners<sup>8</sup>.

Besides gender differences, geographical factors (e.g. rural-urban divides), age and socio-economic background have a strong impact on opportunities and this impact builds up over life. For example, across OECD countries, 18-24 year-olds whose parents have not attained tertiary education represent only 47% of new entrants into bachelor's, long first-degree or equivalent programmes, although they represent more than 65% of the population of that age group. Those who have attained only upper secondary education are less likely to be employed and earn 65% as much as their tertiary-educated peers. In addition to this, access to good-quality life-learning opportunities is unevenly distributed. On average across the OECD, only 17% of low-skilled workers participated in job-related training in a 12-month window, compared to 40% among all workers<sup>9</sup>.

Participants shared experiences and challenges in designing and implementing policy packages that recognize and tackle inequalities comprehensively through integrated approaches and coordination across policy silos and levels of governance across the life-cycle. Participants also reminded about the importance of reliable and disaggregated data to make sure no one is left behind.

Participants also discussed how addressing attitudes, stereotypes, and legal barriers is a precondition to facilitate girls' access to education and the full spectrum of skills and how increasing gender equality in the labour market also requires equal sharing of care responsibilities. Another area where participants felt more action is needed was

<sup>&</sup>lt;sup>9</sup> OECD (March 2018), Policy Brief on the Future of Work, "Putting faces to the jobs at risk of automation"



<sup>&</sup>lt;sup>5</sup> OECD (2018), *Opportunities for All: The Framework for Policy Action on Inclusive Growth*, OECD Publishing. The richest 1% (5% and 10%, respectively) held on average 18% (38% and 52%, respectively) of the total households net wealth in OECD countries, in 2016 or latest.

<sup>&</sup>lt;sup>6</sup> UNWOMEN (2018) Turning promises into action: Gender equality in the 2030 Agenda for sustainable development. <u>http://www.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2018/sdg-report-fact-sheet-global-en.pdf?la=en&vs=3554</u>

<sup>&</sup>lt;sup>7</sup> OECD Income Distribution Database; accessed in January 2019.

<sup>&</sup>lt;sup>8</sup> OECD (2017), The Pursuit of Gender Equality: an Uphill Battle, OECD Publishing, Paris

expanding women's access to capital and business creation. Participants also reflected on how using education and skills policies can empower those furthest behind from the start (e.g. children born in poor households) and across the life cycle (e.g. workers who need to be reskilled and upskilled as a result of the digital transformation or low-carbon transition).

In relation to promoting gender equality in development cooperation, participants were surprised to find that only 4% of bilateral allocable aid is dedicated to gender equality programming, whereas 63% of bilateral allocable ODA has no gender objective<sup>10</sup>.

Finally, participants discussed how the digital transformation could be best managed to enhance opportunities and close digital gaps in access and uptake of digital technology and skills. Mr. Raši, Deputy Prime Minister of the Slovak Republic, emphasized the annual OECD Ministerial Council Meeting in May on *Harnessing Digital Transformation for Sustainable Development: Opportunities and Challenges* chaired in 2019 by the Slovak Republic, as an opportunity to advance discussions in this area.

### Achieving environmental objectives, including for interim 2020 targets

Mr. Isidoro Santana, Minister of Economy, Planning and Development of the Dominican Republic and Ms. Cristina Gallach, High Commissioner for the 2030 Agenda of Spain, shared experiences on how their respective national level strategic planning is organised for the implementation of the SDGs and how the whole process integrates environmental objectives and a low-carbon transition strategy.

While urgent action is required to make progress on all SDGs, a group of targets are already set to be achieved in 2020. Most of these are environment-related and available data reveal a lack of progress on many fronts. Global trends in biodiversity continue to decline; oceans are being used at unsustainable rates (with increasing pressures of overfishing, pollution, habitat degradation, and climate change); and global greenhouse gas emissions continue to rise. Making progress towards environmental SDGs can also generate co-benefits that ensure advancement on interrelated goals such as food security, adequate sanitation, health, quality employment and education.

Decoupling economic growth from natural resource use is fundamental to sustainable development, including through the achievement of SDG 8.4<sup>11</sup> and SDG 12.2<sup>12</sup>. The OECD's recent *Global Material Resources Outlook to 2060* shows that the materials intensity of the global economy is projected to decline more rapidly than in recent decades — at a rate of 1.3% per year on average. Despite these advances, global materials use has continued to grow and is projected to nearly double from 89 gigatonnes

<sup>&</sup>lt;sup>12</sup> SDG 12.2 by 2030 achieve sustainable management and efficient use of natural resources.



<sup>&</sup>lt;sup>10</sup> OECD (2018) Aid to gender equality and women's empowerment, <u>https://www.oecd.org/dac/gender-development/Aid-to-gender-overview-2018.pdf</u>

<sup>&</sup>lt;sup>11</sup> SDG 8.4 improve progressively through 2030 global resource efficiency in consumption and production, and endeavor to decouple economic growth from environmental degradation in accordance with the 10-year framework of programs on sustainable consumption and production with developed countries taking the lead.

(Gt) in 2017 to 167 Gt in 2060. Increase in materials use globally is projected to occur for all material groups and in all regions of the world<sup>13</sup>.

Similar challenging trends are observed on waste reduction and recycling, addressed in SDG 12.5. OECD work on Improving Markets for Recycled Plastics: Trends, Prospects and Policy Responses shows that plastics have become one of the most prolific materials on the planet: about 380 million tonnes of plastics were produced globally in 2015, up from 2 million tonnes in the 1950s.

Since 1970, one tenth of the world's terrestrial biodiversity and one third of freshwater biodiversity have been wiped out. We are on course to lose another 10% of terrestrial species by 2050<sup>14</sup>. Biodiversity and ecosystem services provide invaluable – but often invisible – benefits at global, regional and local scales. These include services such as nutrient cycling, habitat provisioning, pollination, erosion control and climate regulation.

Speakers called for urgent and ambitious action on climate change, highlighting impacts that are already felt by their own countries, as well as countries in particularly vulnerable situations, in particular Small Island Developing States (SIDS). Some speakers noted the potential of the 2030 Agenda to raise the profile and the ambition on environmental action (e.g. target 12.2 on deforestation was highlighted by Minister Santana). Climate change and ecological transition were also noted as driving forces for modernising the economy.

Speakers highlighted difficulties in measuring outcomes and progress on the goals directly related to the environment, as well as measuring the nexus between the environment and other goals (e.g. health, gender).

Speakers recognised that some businesses, workers and regions will be penalised by the low-carbon transition and noted the need for clear strategies for a "just transition". Participants also shared examples of how embedding environmental priorities in the national budget can accelerate progress on implementing the 2030 Agenda (e.g. Spain plans to earmark at least 20% of the national budget for climate action).

### Mobilising more impactful and effective financing for the SDGs

In her scene-setting address Ms. Nialé Kaba, Minister of Planning and Development of Côte d'Ivoire emphasized domestic efforts in stepping up domestic resource mobilisation and broadening of the tax base to meet the resource needs for SDG implementation. Mr. Achim Steiner, UNDP Administrator reflected on the need for aligning SDG financing needs and investment track and incentives, as well as the transformative nature and potential of digital finance. Mr. Laszlo Borbely, State councillor and Coordinator of the Sustainable Development Department at the General Secretariat of the Government of Romania shared Romania's efforts and ambitions for integrating SDGs into the public budget cycle. Mr. Hugo von Meijenfeldt, Coordinator of National Implementation SDGs at the Ministry of Foreign Affairs of the Netherlands spoke about the need to re-profile

<sup>&</sup>lt;sup>14</sup> OECD (2018) Mainstreaming Biodiversity for Sustainable Development



<sup>&</sup>lt;sup>13</sup> In the OECD it will increase from 24 to 39 Gt; in BRIICS from 47 to 75 Gt; and in the rest of the world from 18 to 53 Gt.

and shift existing funding for the achievement of the SDGs and to promote a shift in institutional culture and behaviour at the mid-management level in both public and private institutions.

Financing the successful implementation of the Sustainable Development Goals (SDGs) is a formidable challenge. To meet climate and development objectives the OECD estimates that USD 6.9 trillion per year in infrastructure investments alone are needed<sup>15</sup>. Revenue of governments, the central pillar of financing for sustainable development at USD 4.3 trillion still remains below the recommended GDP threshold in many developing countries; and is not increasing enough to fill the SDG financing gap. The volume is context-dependent – while tax revenues represent 78.2% of the overall financing mix in upper middle-income countries (UMICs), they only account for 42.7% of financing in least developed countries (LDCs). While official development assistance (ODA) has been stable over time and reached USD 147.2 billion in 2017, many countries still remain at levels below international commitments; this is a significant issue especially in LDCs, that rely on aid for over two-thirds of their external finance. Mainly due to a drop of private finance, total external finance to developing countries declined by 12% between 2013 and 2016. Foreign direct investment inflows (FDI) in developing countries dropped by 30% over 2016-17. In 2017, international migrants sent an estimated USD 613 billion to their home countries. Most of the remittance flows (76%) went to developing countries reaching a record high of USD 466 billion (around three times ODA value).

Participants noted that while financing volumes need to increase in all countries, this will not automatically help to achieve the goals. Focus is also needed on the quality, equity, and impact of these flows, including through putting the implementation of SDGs at the core of investment strategies and budgeting processes. Accelerated international cooperation is also important, whether through targeted support mechanisms such as financial support or capacity building, or broader collaboration to ensure fair international competition and taxation and better measurement and tracking of SDG financing. Some speakers proposed new ways to raise funds for SDGs (e.g. an international solidarity levy).

Participants discussed the challenges of evaluating the impact of key sources of financing, such as aid, FDI, impact finance and investment, and the targeting and prioritising of resources for sustainable development. Participants shared experiences around governance frameworks that embed multi-year and multi-sectoral budgetary considerations, and how these can be helpful in budgeting for the SDGs while ensuring value for money.

<sup>&</sup>lt;sup>15</sup> OECD/The World Bank/UN Environment (2018), Financing Climate Futures: Rethinking Infrastructure, p. 20





<sup>&</sup>lt;sup>i</sup> The Institute of Statistics of the United Nations Educational, Scientific and Cultural Organization (UNESCO; 2014 data); OECD (2018), Educational Opportunity for All

<sup>&</sup>lt;sup>ii</sup> OECD (2018), Development Co-operation Report 2018: Joining Forces to Leave No One Behind, OECD Publishing Paris. <u>http://www.oecd.org/dac/development-co-operation-report-20747721.htm</u>

<sup>&</sup>lt;sup>iii</sup> UN (2018), The Sustainable Development Goals Report

<sup>&</sup>lt;sup>iv</sup> OECD (2018) Mainstreaming Biodiversity for Sustainable Development

<sup>&</sup>lt;sup>v</sup> UNEP (2018) Emissions Gap Report 2018

https://wedocs.unep.org/bitstream/handle/20.500.11822/26879/EGR2018\_ESEN.pdf?sequence=10

vi OECD (2019) Measuring the Distance to SDG targets