

## KEYNOTE SPEECH: Status of the 2030 Agenda

### Stefano Manservisi

*Session 1: The path towards an integral ecology. What has been done. What remains to be done. Possible developments*

Your Excellency (Cardinal Turkson),

Your Eminence (Archbishop Celli),

Ladies and gentlemen,

### INTRODUCTION

Thanks for the opportunity to be here with you and take stock of the 2030 Agenda on Sustainable Development in a particularly interesting moment. For us in Europe, fresh from the European elections [...], and at a moment where many discussions are ongoing on the path and choices for Europe for the near future. For the Agenda itself in a year of global stocktaking, with processes such as the High Level Political Forum, which will take stock of progress on the Sustainable Development Goals at Heads of State level this September for the first time. Summits also on climate change, financing for development, universal health coverage and other key issues for Agenda 2030. For the Holy See as it continues to deploy its vision for societies to live the *Laudato Si'*.

Overall, in a totally changing world and landscape, where governments, institutions, and society are asked (much more than in the past) to adapt and be increasingly flexible. The building blocks of what we thought were post-Second World War and post-Cold War (democracy, human rights, mutual tolerance and respect), are, to put it mildly, challenged. For many of the 7.3 billion people on this planet this creates a complex environment where there is a perception of lack of benchmarks, and often a sense of loss. It is particularly difficult for those left behind, and even more those left furthest behind.

The 2030 Agenda and the Sustainable Development Goals are probably the most comprehensive response to the challenges of this century, a project to challenge institutions to set right policies, for the general intent and, by consequence, to address the loss of people's trust in institutions, and to a certain extent in global cooperation. The Agenda with its five interlinked "Ps" (prosperity, people, planet, partnerships, and peace) lays the vision for the world we want and need: eradicating poverty, addressing injustices, living in harmony with our planet.

The Sustainable Development agenda, just as the 'integral ecology' of *Laudato Si'* is all encompassing, it's a huge agenda for reforms, therefore turning these aspirations into plans is not easy.

They are calls for urgent responsibility mobilisation, for reflection and innovation, for thinking in a long term, motivated by the unsustainability of today.

This year, in the context of all the processes I mention, the UN membership will also have the benefit of the first ‘Global Sustainable Development Report’ outlining whether we are on or off track in achieving our many goals, particularly those regarding our planetary sustainability – our integral ecology. We in the EU are also doing our homework, a Joint Synthesis Report, a self-assessment and self-criticism so to speak that we will present because we consider the 2030 Agenda and its Sustainable Development Goals, as our best tool to address the unsustainable realities of globalisation. It is the first time the EU and its Member States have reported together on progress in implementing the 2030 Agenda in developing countries.

I will not pretend to grasp all the richness of Agenda 2030 and I will focus on some tendencies we have seen from our assessment of our work and the situation in the world. And where collectively we are not advancing as fast as we should on the vision that the Sustainable Development Goals and in many ways the Holy Father share: a vision of stability and prosperity that is both inclusive and sustainable, and where environmental and societal challenges are profoundly intertwined.

First, let’s start with some positive points, which we may know about, but which are a story worth telling and recalling. That is that we have been successful in massively reducing poverty. In the 1980s over 40% of the people on this planet, 4.5 billion people were considered poor. The percentage today is just around 10%. And with 3 billion more people on the planet – 7.3 billion, the number of poor people has shrunk to 800 million. Impressive I would say.

But of course if you are one of the 800 million this is all abstract. There are also places (twelve countries to be precise – e.g. Yemen, Sierra Leone, Syria etc. – usually countries facing significant political or environmental challenges or persistent and widespread conflict) where extreme poverty is actually on the rise. And 18 other countries where percentages stay stable but absolute numbers of poor are going up (e.g. Burundi, South Sudan, South Africa but also countries like Romania).

The biggest drivers of extreme poverty explain the fragility of our world. They are war and natural (often climate) related disasters. Syria (or Libya), formerly middle-income countries have exploding poverty rates (60% Syrians in poverty inside the country or as refugees). Dominica lost the equivalent of 200% of its GDP in just a couple of hours with Hurricane Maria on 2017. And we see this global climate constantly getting weirder and weirder. Events that used to happen once in a generation are now regular and often more intense.

This indicates the fragility of quantitative success (GDP, notably) when these are not supported by the qualitative pillars, the 5 “Ps” – the sustainability.

With this entire context in mind, I want to address five aspects where our own assessment shows lots of work still needs to be done. And where with our own analysis, if we do not implement our Agenda 2030 we will not succeed, or rather we will fail Agenda 2030:

- (i) **INEQUALITY**, including **GENDER INEQUALITY** – the challenge we all see has repercussions in societies world-wide;
- (ii) **HUMAN DEVELOPMENT** – the area which intrinsically links to prosperous societies;
- (iii) **GOVERNANCE** – the key role of solid functioning institutions;
- (iv) **ENVIRONMENT** and **CLIMATE CHANGE** – the fight of our generation to reconcile prosperity, growth with actually maintaining a liveable planet for future generations and other species;
- (v) **PARTNERSHIP** and **INNOVATION** – the need to create alliances and generate new ways of working for the Agenda to succeed.

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## **1/ INEQUALITY**

One big trend where we are not succeeding in relation to the Sustainable Development Goals (SDG10) and which we see is poisoning our societies is the rise in Inequality. It has become one of our collective greatest challenges. Yes, many countries have seen tremendous progress in reducing poverty. Overall, inequality between countries has been reduced. But not inside countries.

Taking the 1980s as basis, the 1% richest has seen double the gains of the bottom 50%. And this trend is all over the world but particularly acute in advanced economies. The extreme case is the United States, where the top 1% now holds 42.5% of the national wealth – much more than in any other OECD country.

And linking this back to integral ecology we see that the usage of the planets resources is also unequal. As *Laudato Si'* recognises: “Twenty percent of the world’s population consumes resources in such a way to steal from poor nations and future generations what they need to survive”. As the Holy Father says, the destination of resources of our planet should be common. If we lived as an average Madagascar citizen, we would need 0.57 Earths. If we lived like an average Qatar citizen, we would need 8.84 planets!

We see the consequences. Loss of trust in institutions of all kind, institutions promoting illusions to keep some formal legitimacy. Loss of societal common purpose and direction. Rise of egoism, demonising others, xenophobia, reject of partnerships of any kind, and rejection of historical social contracts. This may well be the biggest threat for Agenda 2030 that has at its core partnership and cohesion.

Studies (e.g. IMF) also show the strong links between sustainable growth and reduced inequalities. As the economist Thomas Piketty says: Only a real fight against inequalities on a global basis can lead to social equality. And a very recent study of the World Bank shows that

the most efficient method to address poverty is reducing inequality rather than seeking to increase growth at all cost.

Inequality is also increasingly a problem for us in the EU, although not as exacerbated. Therefore, inequality is a clear priority, both internally and externally. I open a bracket here, your Excellency (Cardinal Turkson), to remind that the European Commission has this year dedicated its European Development Days of 18-19 June precisely to the theme of Inequality. And to flag that we look forward to receiving the Holy See at the EDDs. As you know, President Juncker has personally invited the Holy Father [and Commissioner Mimica invited Cardinal Parolin].

Equality is enshrined in EU treaties and reflected in all EU policies and notably in the European Pillar of Social Rights. Externally, we want EU development policy to be a major way of taking us beyond growth and reducing inequalities in all their dimensions – be it:

- By helping design inclusive and public policies, stability-oriented macroeconomic and progressive tax policies;
- Through efforts to progressively achieve Universal Social Protection, as sustainable and affordable quality social protection systems are key redistributive mechanisms to promote social cohesion, with programmes such as the EU Expertise on Social Protection, Labour and Employment, known as SOCIEUX+;
- By sharing EU experience with 4 Latin American countries (EUROSOCIAL).

We are now starting a new global programme on “Social Protection and Public Financial Management” to support partner countries in turning their ambition for comprehensive, inclusive and sustainable social protection systems into reality. Eight priority countries (Cambodia, Nepal, Ethiopia, Uganda, Burkina Faso, Senegal, Angola, and Paraguay) will receive medium-term support. We also support the EU Social Protection Systems Programme, implemented by the OECD, to improve our analytical knowledge at country, regional and global level.

## **GENDER**

One dimension of inclusion deserves a special attention since it holds the biggest potential for us to accelerate and succeed on Agenda 2030. Gender equality!

The truth is that despite some progress, women and girls continue to suffer discriminations of all kind throughout the world. Not to speak of the vilest forms of discrimination: violence and physical threat. On average 19% of girls and women aged 15 to 49 years, have experienced physical and/or sexual violence by an intimate partner in the last 12 months, and one in three women experience violence by a partner or non-partner in their lifetime.

Just focusing on the economics of it, women empowerment according to various studies could boost the world’s economy by EUR 9 to 25 trillion. We know that to meet the Sustainable Development Goals we need EUR 4.5 to 6 trillion more per year, so you understand that event

from simple economics that is quite an accelerator. Not to forget the importance of dignity, the ripple effects on society on curbing exploding demography in certain areas. In Sub-Saharan Africa, the IMF tells us that lowering gender inequality by 10 percentage points would have the potential to boost growth by 2% over next 5 year.

In EU development work, we have made Gender one of the top priorities. We mainstream gender in all EU external action, from humanitarian initiatives to trade agreements, via development and state and peace-building initiatives. A sector- or country-based gender analysis is part of the initial context analysis that must inform the designing of any new development programmes. From a 13% in 2011, we have been going fast and far: the 62.8% and almost 68% of EU Official Development Aid have been committed – respectively in 2017 and 2018 in a gender-sensitive or gender-focused way. Translated into budget terms, for 2017 this means that more than EUR 10 billion and almost EUR 17 billion have been committed in 2017 and in 2018 to the promotion of gender equality.

A top issue is how we support women empowerment. Our programmes focus on creating economic opportunities for women. For instance, the NASIRA Guarantee that we have signed with the Dutch Development Bank FMO will create and support up to 800,000 jobs and benefit small and medium-sized enterprises (SMEs), internally displaced people, refugees, returnees, women and young people. NASIRA is the Arabic feminine of ‘the helper’ and has a real-world prototype: a woman aged 25 who needs EUR 500 to buy a small stock of food products that she sells in a small refugee city in Jordan. NASIRA serves as a bridge between commercial investors, development finance institutions, private financial intermediaries and perceived high-risk end borrowers.

Last but certainly not least, as regards the scourge of violence against women and girls, the EU launched the EU-UN Spotlight Initiative. Built on the EU-UN strategic partnership, the EU-UN Spotlight Initiative is a joined-up action, backed up by an unprecedented amount of EUR 500M, aimed at eliminating all forms of violence against women and girls (VAWG) in partner countries from five regions: Asia, Sub-Saharan Africa, Latin America, Caribbean and Pacific. We are quickly implementing it: more than EUR 320 million (out of the EUR 500 million initially promised) have already been committed.

And I have no doubt that speaking of next EU political cycle, the gender dimension will be even higher in our work.

## **2/ INVESTING IN HUMAN DEVELOPMENT**

When it comes to inequality, one of the most important areas where there is a need to work more is Human Development or, as is popular now, Human Capital. This is not just jobs but education, health, social protection and I would say culture, too.

Many recent reports on education for instance, show that there is an education crisis in many respects. Not only about the millions of kids out of school. Why? Precisely for the reason I said

at the beginning: the quantitative target to have girls and boys completing the primary cycle has been reached but the qualitative pillar was missing, therefore it was not sustainable and now numbers are rolling back. For instance, in Sub-Saharan Africa, about a fifth of primary age children are not attending school. Quality of education is the key issue. In many countries, those who make it out of school simply do not know how to read or basic maths; 58% of students (a total of 617 million children) in primary and lower secondary do not have basic proficiency in reading and mathematics. Teachers do not know how to teach or simply do not show up (in some countries teacher absenteeism reaches 60%).

All of this means incapacity to occupy jobs and adapt in a fast changing world where flexibility and life-long learning are becoming the norm. Not to mention that according to UNESCO studies, world poverty can be halved if all completed secondary education.

As far as health is concerned, yes we have considerable success. For instance, child mortality has fallen by half since 1990. In spite of this, problems remain, each year, 6 million children die before they are 5 years old for lack of early medical intervention; access to healthcare is often scarce. Why? Because national systems are not sustainable, policy- and resources-wise.

### **3/ GOVERNANCE**

As a big driver for succeeding on the Sustainable Development Goals, I also want to mention Governance. The importance of good governance and the consequences of bad governance. Many countries in the world have no rationale reason to be poor. Why is Angola poor – there is no reason. Angola is the second largest producer in Africa with a GDP of about USD 127 billion in 2018, half of which is linked to oil production and support activities (also accounting for 92% of exports). At the same time, the poverty rate has not moved in the country for over ten years and remains at 30% (of the population) since 2008. Similarly, why is the Central African Republic where it is? Why Myanmar? Why Haiti? Because we see that governance and institutions matter!

Good governance and functioning institutions at the service of citizens and the general interest (and not of the few) is the basis for everything. Without them, the chance of 2030 Agenda succeeding drops to the floor. This is why the Sustainable Development Goals (SDG 16) focus on “Promoting peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels”.

Without legitimate, democratic institutions, there is no justice, no fair collection or (re)distribution. There is also no incentive for the private sector to flourish and invest, creating the opportunities needed.

For this reason, the EU is also supporting partner countries on policies and reforms that are directly within their own control.

This includes working with our partners, at country level on formulating public policies for the citizens’ welfare, as public finance management, sustainable and just domestic revenue

mobilisation, and public spending. Everybody, especially the richest, needs to pay their fair share of taxes so that governments have the domestic resources to provide their citizens with public goods and services.

We do so in cooperation with institutions like the IMF, the OECD and the World Bank. But our first channel remains bilateral cooperation with partner countries, in particular in the context of budget support contracts. The EU implements budget support in 90 countries and territories around the world, addressing reforms at all levels. With an ongoing portfolio of EUR 12.7 billion, it contributes to our progress in all 17 SDGs.

But collecting more resources only makes sense if public resources are spent efficiently. This is why sound public finance management, and making the best use of resources, is so important. What does this mean? It means, for example, addressing inefficient public investment processes and sources of corruption, or making sure public procurement is driven by quality and not by corruption. And because illicit financial flows continue to cost billions each year to poor countries, the European Union is working at global level on international tax cooperation, tax governance, and the fight against corruption.

If we are to deliver on the 2030 Agenda, we simply cannot afford to see so much money squandered into illicit flows and tax evasion.

#### **4/ CLIMATE and ENVIRONMENT**

One of the most important dimensions is of course how stretched we are in respecting our planet. Pollution, deforestation and desertification are just a few of the threats facing some of the world's poorest populations. Ravaged environments undermine a country's food production, public health and resilience to natural disasters, and threaten economic development, safety and the rule of law. And human "biodiversity" minorities are the usual victims. Each year we see weather phenomena that are more intense and recurrent. Years of development can be wiped off by one extreme weather event. Not to speak of impact for all in terms of pollution – air you cannot breathe, water you should not drink.

Healthy and well-managed ecosystems, on the other hand, provide the conditions for green growth and jobs, and a better quality of life. There is hope. We have the Paris Agreement with a commitment by 195 countries to reduce emissions and stop global temperatures rising by more than 2 degrees Celsius.

We need to protect and preserve environments and ecosystems for the wellbeing of all people. Sometimes bad faith portrays some objective as preventing economic activity and jeopardising jobs, yet the opposite is true. We provide support and financing for developing countries to increase their capacity to protect and manage natural resources. It creates jobs, sustainable jobs. And peace. Take Virunga National Park, for example. This includes working with governments, public and private sector, and civil society organisations to combat illegal logging; manage and secure protected areas that are home to endangered wildlife such as

gorillas, rhinos and elephants; remedy and clean up polluted sites, and build local skills to develop a sustainable green economy, among many other areas.

## **5/ PARTNERSHIP and INNOVATION**

Let me finish with one element that is at the heart of the Agenda – Partnership! That for me is also intrinsically linked to innovative ways to work – in terms of interlocutors, in terms of tools.

For the Agenda to succeed, States, international financial institutions, the private sector, civil society, multilateral organisations need to work together for the SDGs. We need all sorts of alliances that ultimately make a difference on the ground focusing on country problems and ensure country buy-in.

It is about resources but not only. Yes, delivering on the very ambitious and comprehensive global development agenda requires financial resources. Official Development Assistance continues to be important. And as the world's largest donor, the EU is particularly committed to the UN's 0.7% target. But in this changing – and more challenging – world, aid alone is no longer enough. I mentioned the estimated EUR 4.5-6 trillion of annual investments needed to deliver the Sustainable Development Goals by 2030. This requires resources far beyond ODA.

It might sound remote, and maybe we don't go fast enough, but in the EU we are really trying to innovate at present, but also to plan for the near future that will bring us not far from the year 2030. Indeed, some of you may know the European Commission has proposed its future budget, including where it comes to external relation. Not only is there a proposal to boost budget for external action by 30% even in a future EU at 27, but we have a number of innovative proposals that really try to accelerate and boost our path towards achieving the 2030 Agenda.

We propose to work much more with the Private Sector and investment focusing specifically on some of the more fragile risky countries and environments I mentioned, but also in middle income countries. Because let us not forget that 50% of the poor people of the planet still live in middle-income countries.

In the past couple of years, we have put a lot of thought into how we use development funding to leverage major private investment. We set up the External Investment Plan for Africa and Neighbourhood countries with the very purpose of putting the private sector at the heart of our sustainable development efforts. It is an essential tool to implement the new “Africa–Europe Alliance for Sustainable Investment and Jobs”, which has, as its main objective, the reinforcement of partnership through deepening trade and investment relations.

The Plan is using EUR 4.5 billion from the EU budget to leverage nearly ten times that amount in investment and unlock untapped potential. And with the help of the private sector, it is making public money go further than it has in the past, to create jobs, foster innovation and drive economic growth.

In parallel, through policy dialogue and technical assistance, we are supporting reforms to regulatory and legislative environments to make sure the right conditions are in place for investors. Because what is it that investors want more than anything else? They want stability and certainty. But you can only have that with political and economic stability, good governance, and the rule of law.

Going forward, we have big plans for the future development of the European External Investment Plan (EIP). Currently, it covers Africa and EU Neighbourhood countries. But the Commission has put forward a proposal for the Plan to go global in our next financial cycle. The potential of such a move is huge. This could help raise up to EUR 500 billion in investments, in our partner countries, between 2021 and 2027.

But as mentioned it's not just about the money. It is also about reforms and civil society mobilisation, greater alignment of national budgets with the SDGs, in accordance with national priorities and plans. And for all partners to be more united in their work at country level.

Yet according to the UN Financing for Sustainable Development Report released last April, while countries are increasingly incorporating the SDGs into national sustainable development plans, only one in four have concrete financing plans for those strategies. How to escape the trap of external financing – aid dependence - if countries do not invest in their own resources? The Report puts a specific emphasis on Integrated National Financing Frameworks.

Over the years, countries have equipped themselves with national development plans but very few have financing strategies to help achieve their objectives. We want to bring together all actors concerned – including multilateral organisations such as the UN, IMF and the World Bank – to better coordinate our activities, and to help our partner countries prioritise actions and reforms, in order to make the most of diverse financing sources – public and private.

So, the buzz word is partnership! Which implies mutual responsibility. We cannot have enough of it in the present geopolitics. Alliances are needed for both global issues and local, regional issues for those that care and have an impact.

Overall, we in the EU are making great efforts to strengthen our partnerships with others working on the 2030 Agenda in developing countries. Partnering with the Holy See is part of this strategy.

Thus, for instance, whether we use the term “integral ecology” or the EU’s “sustainable development”, it is clear that there is a great convergence between the objectives of the Holy See and of the EU

#### **Already some examples at country level:**

In the Central African Republic, the EU and the Vatican work hand in hand to promote peace, reconciliation and access to basic services for the population. The best example is the Paediatric Complex of Bangui, the only public paediatric hospital in the country. Financial efforts by the EU Trust Fund Bêkou and the Holy See are complementary: jointly we ensure medical treatment and nutrition, the rehabilitation and equipment of hospital facilities, the construction

and functioning of a new reference centre for therapeutic re-feeding, and appropriate staffing of the Paediatric Complex of Bangui. Moreover, the Holy See, through its Paediatric Hospital Bambino Gesù in Rome, supports university education for students in medicine and paediatric studies, while the Bêkou Trust Fund provides them with onsite traineeships at the Paediatric Complex of Bangui.

In the Democratic Republic of the Congo, we worked with CENCO (DRC Bishop Conference) who played a fundamental role in the December 2018 electoral process in the Democratic Republic of the Congo, enabling the deployment of a massive national observation mission of 40,000 observers across this vast country. CENCO's commitment was instrumental in ensuring the comprehensive participation of civil society and citizens in the elections process; this allowed to put pressure on the system and avoid a worst-case scenario, hence allowing a political transition in the Democratic Republic of the Congo.

In South Sudan, we need to ensure peace finally prevails. We share this objective with the Church. During the second round of the High Level Revitalisation Forum in 2018 [the peace negotiation in South Sudan], the Church led the mediation of intra-South Sudanese talks in Addis Ababa. The EU is supporting the implementation of the agreement, inter alia financing its monitoring mechanisms. Since 2016, we fund the implementation of South Sudan Council of Churches (SSCC) Action Plan for Peace. Since December 2017 we are also contributing to the mission of the Holy Trinity Peace Village (HTPV) in Kuron. The village was founded by Bishop Paride Taban, Bishop Emeritus of Catholic Diocese of Torit. As an ultimate sign of commitment, in April, the Pope hosted in the Vatican a spiritual retreat with president Kiir, the first vice president Machar and other parties in an effort to engage them genuinely towards real peace in the country. In the meantime, South Sudanese people remain in dire need of help.

The Church has also played a key role in the EU's most important peacebuilding project in Colombia, the "peace laboratories", and now still, it is a key ally as it is often the only actor able to reach and have the trust of communities, which have been isolated by the presence of armed group. The EU is explicitly supporting the Colombian Peace Agreement.

## **CONCLUSION**

If the 2030 Agenda means one thing – it is that everything is interconnected. We cannot pick and choose which aspects of sustainable development we wish to pursue. We need to pursue comprehensive implementation – because if we do not, ultimately, the whole Agenda fails.

The SDGs are not only about convergence but also finding a new (and unknown) sustainable and inclusive development model where all, rich and poor, need to transform and to get closer. The major trends of our times - technology, climate, migration, inequality, poverty – force us to rebuild a collective and cooperative action at international level.

Thus this year major global issues are at stake and the upcoming UN conferences could be critical for the future of Sustainable Development. So there are a few key messages I want to leave with you now.

**First** – we must remain wedded to multilateralism with the UN at its core. It's about true and inclusive cooperation. We all know that multilateral processes can be time-consuming and frustrating and we must improve efficiency and transparency but for the EU there is no other way. It's about sustainability in the longer term.

**Second** – we all have to be humble. Nobody holds all the solutions. The EU for instance, might well be at the forefront on many social and inclusiveness issues, but also has to learn from many others, since some cracks are also visible in Europe.

**Third** – I cannot finish without underlining the importance of open societies. Caring about values– such as democracy, human rights, mutual tolerance and respect. For Europe for instance, this is one of our strongest assets. The 2030 Agenda is about transformation and for it to transform, a society needs to be open, to learn, to exchange, to understand and to be plural in its decision-making. People must drive transformations and therefore they must be part of the conversation, a national and a global conversation.

Words: 4902