The G20 and the Sustainable Development Goals (SDGs): Reflections on future roles and tasks

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Abstract

With the adoption of universally applicable Sustainable Development Goals (SDGs) by the UN Summit in September 2015, the world will be entering uncharted territory. All countries, rich and poor, will have to fundamentally realign their development pathways from 2015. The new agenda stands for nothing less than a Copernican turn in the thinking and acting about development and cooperation. The paradigm shift to sustainable development and to the ensuing concept of a Global Partnership for Sustainable Development has yet to fully filter through to policy-makers, business and society in all places. So far attention is quite high only on domestic implementation in and by low-income countries and to the respective international cooperation by high-income countries. The reason for this uneven pattern of attention should be an issue of concern since the development pathways of the high-income countries and also some bigger middle-income countries are critical for the success of the new agenda. Given their commitments and their track record the question for the G20 is not whether but how to contribute to the implementation of the SDGs. G20 Leaders should emphatically rally behind the new agenda and commit to implement the SDGs in their own countries, in their global policies, and in their cooperation with others. The G20 should set up a G20 SDG Framework and support the emerging SDG implementation architecture. At the operational level the G20 should focus its work on those areas to which action by them holds particular global relevance and /or comparative advantage.
1. Leaving the pre-2015 world: Embarking on a new concept of sustainable development and international cooperation

With the adoption of universally applicable Sustainable Development Goals (SDGs) by the UN Summit in September 2015, the world will be entering uncharted territory. The 2030 Agenda for Global Action (“Transforming Our World”; UN 2015a) claims unprecedented scope and significance. Addressing people, planet and prosperity as well as peace, the SDGs cover all dimensions of sustainable development and all the world’s countries. As such, they require all countries to fundamentally realign their development pathways from 2015. A country like Germany will also have to find new solutions for its own future development, which makes it a developing country as well under the new paradigm (SDSN Germany, 2014). Furthermore, China’s claim of being a developing country will get a new and different meaning.

The new agenda stands for nothing less than a sort of Copernican turn in the thinking and acting about development and cooperation. The old, pre-2015 poverty- and aid-centric system represented inter alia by the Millennium Development Goals (MDGs) and the Aid Effectiveness debate3 is to be replaced by a system organized around the concepts of sustainable development and international cooperation. The turn called for is not an easy task at all because there are three dimensions to it that are undergoing fundamental change at the same time:

- **The purpose**: The sustainable development agenda is broader and more complex than the development agenda of old. The eradication of poverty becomes part and parcel of sustainable development. In the future there will be no point in giving the term development a meaning other than sustainable development. In this context one should also recall the often neglected fact that development – even under its accustomed notion – only really begins when extreme poverty is eradicated. The term middle-income-trap has been another hint in this regard.

- **The “target groups”**: As the SDGs are addressing all countries and the world / earth as a whole instead of only addressing specific groups of countries, all countries will be struggling to achieve truly sustainable development. Country groupings such as developed/developing/emerging, although still being a political reality, will become less helpful in the future and should rather be replaced by those referring to per-capita-income levels (low-, middle-, high-income), specific conditions (e.g. vulnerable, (post-) conflict, small island or landlocked) or specific problems (e.g. highly polluting, ecological footprint).

- **The means**: For all countries and stakeholders the implementation of the new agenda will require domestic as well as international means, non-financial as well as financial, concessional as well as non-concessional, and political as well as technical. The success of the new agenda on the one hand hinges on the strengthened support for the poorest and most vulnerable. On the other hand, without the domestic implementation of the agenda in and by high- and middle-income countries and the respective transformation of international cooperation between all types of countries, its success would also be severely endangered.

The paradigm shift to sustainable development and to the ensuing concept of an effective Global Partnership for Sustainable Development has yet to fully filter through to policy-makers, business and society in all places as well as in all fora of global governance and international cooperation – in

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particular with respect to the means of implementation. While the prospective 2030 Agenda for Global Action sends a strong and comprehensive message on the normative and conceptual level, the envisioned means of implementation lack behind. This becomes even clearer when taking a first, quick look at the Addis Ababa Action Agenda (UN, 2015b) adopted by the Third International Conference on Financing for Development in June 2015. Figure 1 gives a preliminary illustration of the main areas of explicit attention.

Figure 1: Addis Ababa Action Agenda – preliminary assessment of the explicit attention given to means of implementation in various areas

<table>
<thead>
<tr>
<th>Domestic implementation</th>
<th>Low-income countries</th>
<th>Middle-income countries</th>
<th>High-income countries</th>
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<td>High-income countries</td>
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<td>Middle-income countries</td>
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<td>Low-income countries</td>
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<tr>
<th>International cooperation</th>
<th>Low attention to domestic implementation</th>
<th>Medium attention to domestic implementation</th>
<th>High attention to domestic implementation</th>
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<td>High-income countries</td>
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<td>Low-income countries</td>
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<th>Low attention to cooperation by a type of country</th>
<th>Medium attention to cooperation by a type of country</th>
<th>High attention to cooperation by a type of country</th>
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<tr>
<td>Low-income countries</td>
<td>Middle-income countries</td>
<td>High-income countries</td>
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Attention is quite high with reference to domestic implementation in and by low-income (and other vulnerable) countries and to the respective international cooperation by high-income countries, although the outcome of the Addis conference is weak on additional substantial commitments. There is increased but still at best medium attention to middle-income countries concerning both domestic implementation and international cooperation with and by them. Only little specific attention is paid to domestic implementation by high-income countries at home and to international cooperation amongst themselves as well as with middle-income countries.

The lesser or less explicit attention given to some of the different areas of implementing the SDGs would be no problem at all if it properly reflected the challenges the world faces. The opposite is true. There is no doubt that the implementation of the agenda in the poorest and most vulnerable countries inter alia through scaled-up international cooperation is an indispensable part of the new global partnership. However, without a thorough transformation of the development trajectory in the countries with higher per-capita incomes, not only the aspirations of the poorest and most vulnerable people but also prosperity worldwide and the safeguard of the planet will be seriously impaired. Given their huge external (global) effects, the development pathways of high-income countries and also some bigger middle-income countries are of global concern and should be an issue for international cooperation, not only with respect to monitoring and review.
The reason for this uneven pattern of attention does not lie with shortcomings of the underlying concept of an enhanced and revitalized Global Partnership for Sustainable Development. This partnership is duly conceived as a vehicle for strengthening international cooperation to implement the new agenda, which is explicitly framed as global in nature and universally applicable to all countries (UN, 2015). Nor does the uneven pattern result from the high attention rightly paid to low-income and other vulnerable countries. It rather mirrors path-dependencies of the Financing-for-Development process and the weak links established to it by accustomed formats of cooperation amongst high-income countries. The same holds true for other formats of international cooperation like G20, BRICS, or APEC. Furthermore, there might be masked resistance by some countries to blend in unfamiliar processes, as well as institutional inertia on the side of “aid-agencies” to open up to new cooperation challenges and opportunities including those beyond concessional flows to and preferential treatment of poorer countries.

It is high time to embark on a new and comprehensive narrative of International Cooperation for Sustainable Development (ICSD) that covers all modes of international cooperation aimed at sustainable development in all places. Starting from the breadth and universality of the new agenda it should include all purposeful, transformative cooperation between actors from all types of countries (“North-South”, “South-South”, “South-North”, “North-North”, triangular, etc.) in bilateral, multilateral as well as “club” and other formats like multi-stakeholder partnerships. A lot of further work will be necessary in order to elaborate the new ICSD narrative and its many features. Notwithstanding its relatively short track record the G20 with its unique composition is well-placed to contribute significantly to the new world of ICSD and to breathe life into the so far underexposed areas of the means of implementation that are so critical for the success of SDGs.

2. The G20, the SDGs and the changing paradigms of international cooperation

When, at their Pittsburgh meeting in 2009, the Leaders of the G20 countries established themselves as “the premier forum for our international economic cooperation” in place of the then G8, this signaled a sea change and proved the traditional North-South paradigm outdated. In the G20, industrialized countries and emerging economies do not meet as blocs representing the North and South. In their search for solutions to global problems, interests and alliances cut across traditional groupings. Precisely because of this representative diversity, the expectations of what the G20 can achieve have gone beyond crisis management and financial market reform (Kloke-Lesch & Gleichmann, 2010). In recent years the G20’s legitimacy as the world’s premier economic forum as well as its effectiveness have been questioned. It is even argued that the G20 is a group still in search of substance and permanence (Sainsbury, 2014). There is also the repeated call that the G20 should be ruthless with respect to the focus on priorities and that it can only be successful if it sticks to international economic cooperation and focuses on ensuring that the correct international institutional architecture is in place (Carin, 2013).

Already in 2010 the G20 established the G20 Development Working Group (DWG). At the time it provided an opportunity to generate an impetus for a new understanding of development policy as global public policy, manifesting in a fresh approach to bilateral development cooperation within the G20, in the G20’s position in poorer developing countries, and in the shaping and implementation of global agendas (Kloke-Lesch & Gleichmann, 2010). Although the DWG over the past five years has
maintained a continued work stream and delivered some initiatives, it did not transcend the low-income countries focus of the accustomed development cooperation paradigm. At the same time the DWG’s focus on growth and on non-aid-instruments of international cooperation provided a welcome move into new territory often ignored by traditional aid agencies.\textsuperscript{4} In general the G20 development agenda is perceived as remaining largely a diffuse add-on to the core G20 agenda, disconnected from the central concerns of Leaders and Finance Ministers (Sainsbury, 2014). Sainsbury calls for re-characterising the role of the DWG as a provider of quality input from development perspectives into other G20 work streams, with a mandate to be a loud advocate for development interests. However, this sensible call is still limited to the pre-2015 development agenda and should be reconsidered with respect to the new notion of sustainable development addressing all countries.

When, at their Brisbane Summit, G20 Leaders resolved to “support efforts in the United Nations to agree an ambitious post-2015 development agenda” and to “contribute by strengthening economic growth and resilience” (G20, 2014), they made clear that they see a role for the G20 in implementing the upcoming new agenda without expatiating upon their understanding of the agenda and the means of implementation. The Turkish G20 Presidency, in December 2014, established “Buttressing Sustainability” as one of its priorities for 2015. This is an important step forward although the universality of the new agenda for sustainable development was not explicitly highlighted. Turkey rather stuck to the accustomed notion of development alongside energy sustainability and climate change finance, somehow separating these parts of sustainable development agenda from the other two pillars of their presidency (Strengthening the Global Recovery and Lifting the Potential; Enhancing Resilience; Turkey G20, 2014). It is still too early to see how the Turkish G20 Presidency will drive these priorities along with furthering their links, and how it will take up the outcome of the UN Summit in 2015. Arriving at a holistic understanding of the universality of the new agenda including its applicability to the G20 themselves would be a major achievement. The three “I”s of Turkey’s Presidency – “Inclusiveness, Implementation, Investment” – bode well in this respect and nicely mirror core elements of the emerging new global agenda. A research report released in the context of the Second Annual G20 Think Tank Summit (RDCY, 2014) already argues that the economic recovery achieved over the last six years “is nothing but the restoration of the old mode of economic growth, and the global economy has not yet embarked on a new road of strong and sustainable growth.” The paper further claims that “to achieve the ‘post-2015’ global development goal set by the United Nations, we must break away from the accustomed notion of development, treat the global financial system and the global real economy as an integrated whole, and review the current global economic growth policies” (RDCY, 2014). Building on Turkey’s efforts in 2015, China’s G20 presidency in 2016 offers the unprecedented opportunity to act on this recommendation and establish a revitalized G20 as an important contributor to the implementation of the SDGs.

Any debate on the future G20 role in implementing the SDGs should not only start with the commitment already made in Brisbane and the work being done by the Turkish G20 presidency, but also by taking a look at the many activities of the G20 and their relation to the SDGs. Table 1 provides an exemplary synopsis of the SDGs and related G20 activities (commitments, action plans, reports etc.) as highlighted by the Brisbane Summit in 2014.

\textsuperscript{4} For more information see the 2014 Brisbane Development Update (DWG 2014).
Table 1: Exemplary Synopsis of the Sustainable Development Goals (SDGs) and related G20 Activities

<table>
<thead>
<tr>
<th>SDGs as proposed by the final draft of the outcome document for the UN Summit</th>
<th>SDG-related G20 Activities as highlighted by the Brisbane Summit 2014</th>
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<tbody>
<tr>
<td>Goal 1. End poverty in all its forms everywhere</td>
<td>o Commitment to poverty eradication and development, and to ensure G20 actions contribute to inclusive and sustainable growth in low-income and developing countries</td>
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<tr>
<td>Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture</td>
<td>o G20 Food Security and Nutrition Framework</td>
</tr>
<tr>
<td>Goal 3. Ensure healthy lives and promote well-being for all at all ages</td>
<td>o G20 Leaders’ Brisbane Statement on Ebola</td>
</tr>
<tr>
<td>Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</td>
<td>o G20 Employment Plans include investments in apprenticeships, education and training</td>
</tr>
<tr>
<td>Goal 5. Achieve gender equality and empower all women and girls</td>
<td>o Agreement to the goal of reducing the gap in participation rates between men and women in G20 countries by 25 per cent by 2025,</td>
</tr>
<tr>
<td>Goal 6. Ensure availability and sustainable management of water and sanitation for all</td>
<td>(not covered in Brisbane)</td>
</tr>
</tbody>
</table>
| Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all | o G20 Principles on Energy Collaboration  
o G20 Energy Sustainability Working Group 2014 Co-chairs’ Report |
| Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all | o Acting together to lift growth and create jobs  
o Building a stronger, more resilient global economy  
o Brisbane Action Plan for Growth  
o G20 Members’ Country Employment Plans |
| Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation | o Global Infrastructure Initiative  
o Global Infrastructure Hub |
| Goal 10. Reduce inequality within and among countries | o G20 Plan to Facilitate Remittance Flows  
o 2014 Financial Inclusion Action Plan |
| Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable | (not covered in Brisbane) |
| Goal 13. Take urgent action to combat climate change and its impacts | o G20 Climate Finance Study Group – Report to Ministers |
| Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development | (not covered in Brisbane) |
| Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss | (not covered in Brisbane) |
| Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels | o G20 Anti-Corruption Action Plan  
o G20/OECD Base Erosion and Profit Shifting (BEPS)  
o Action Plan to modernize international tax rules  
o G20 High-Level Principles on Beneficial Ownership Transparency |
| Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development | o Strengthening global institutions  
o 2014 Accountability Assessment Report  
o Development Working Group Accountability Framework |

Source: Own compilation

The small and limited compilation clearly shows that the G20 already addresses a range of issues that are of significance for achieving the SDGs both in the G20 countries themselves and in other places. These activities are not confined to the economic dimension of sustainable development as they also relate to social and environmental concerns as well as aspects of global governance, monitoring and review. However, in most cases the G20 activities included in the compilation cover only some of the targets under the respective SDGs and still need to be reviewed whether they are commensurate to the ambition of the new sustainable development agenda.
Looking at the commitments and the activities already underway, the question is not whether the G20 as a group has a role to play in implementing the SDGs or not, but rather how this role should look like and what issues the G20 should address.

3. Principle elements for a G20 SDG Framework

All G20 Leaders are expected to subscribe to the 2030 Agenda for Global Action to be adopted by the upcoming UN Summit in September and to commit to implement the agenda within their countries and at the regional and global levels. Beyond acting individually, G20 countries should use the convening power and the potential of the G20 to significantly add to the momentum of implementing the SDGs. They should do so at the political, the governance, and the operational level. Taken together actions at all these levels could lead to a framework for implementing the SDGs by the G20. A G20 SDG Framework should be designed in a way that supports and contributes to the emerging SDG implementation, monitoring and review architecture led by the United Nations.

At the political level the G20 should emphatically rally behind the new agenda. At their next summits G20 Leaders should commit to determined action in three areas:

- In their own countries: The G20 should resolve to embrace the SDGs for their own countries in national strategies for sustainable development. This would send a strong signal that they are serious about the agenda and its universality.
- In their global policies: The G20 should agree to consistently align their global policies, including international cooperation amongst themselves, with the SDGs. This could essentially contribute to aligning the rules of globalization with sustainability and fairness.
- In their cooperation with others: The G20 should agree to significantly scale-up their international cooperation for sustainable development. This could substantially strengthen the capacity and the willingness of other countries and stakeholders to contribute to global public goods and goals.

At the governance level the G20 should ensure that the correct international institutional architecture is in place (Carin, 2013) to implement the new agenda. They should do so:

- by actively participating in the envisioned monitoring and review processes at the national, regional and global levels,
- by supporting existing and co-shaping new mechanisms of International Cooperation for Sustainable Development (ICSD),
- by realigning and complementing the G20 governance and working mechanisms in order to effectively contribute to achieving the SDGs (e.g. the monitoring and review processes, and the role of the DWG).

At the operational level the G20 should focus their work on those areas to which action by them holds particular global relevance and/or comparative advantage. To this end they should:

- review and realign all their ongoing activities with respect to the SDGs in order to strengthen policy coherence for sustainable development,
- screen all SDGs in order to identify where contribution by the G20 is pivotal, and
• act on the identified priorities e.g. by setting concrete goals for the G20, by launching joint G20 initiatives and / or by supporting and joining activities initiated by others.

Building on the eventual outcome of the UN Summit in September 2015 and the ensuing work on the indicators, these elements of a G20 SDG framework will have to be worked out over the next 12 to 18 months if the G20 wants to position itself as a relevant actor in this field.

4. Possible first steps on a new G20 trajectory

This is not the time to anticipate the results of the recommended SDG-related reviews, debates and decisions within and by the G20. The following rather specific suggestions draw on the work already underway within the G20 as well as in other fora and should only give an idea of the possible direction that the G20 could take when embracing the SDGs:

• Establish a peer-learning process within the G20 on the national implementation of the SDGs in and by their own countries and consider the results at Leaders’ level. This G20 SDG peer review process could build on the lessons learnt with other G20 peer reviews e.g. the voluntary G20 peer reviews on inefficient fossil fuel subsidies.
• Re-characterize and re-configure the G20 Development Working Group and rename it as G20 Working Group on Sustainable Development. Its primary task would be to work out the role of the G20 in implementing the SDGs, to identify priority areas of action by the G20, and to ensure policy coherence for sustainable development throughout the G20.
• Invite the T20 and the B20 to contribute to the implementation of the SDGs in and by G20 countries.
• Establish a G20 dialogue platform on inequality that explores ways to deal with this growing challenge to strengthening prosperous and peaceful societies in G20 countries and the world.
• Integrate the concept of deep decarbonization pathways into the G20 work on climate change and energy. The G20 countries are key to the fight against climate change. The Deep Decarbonization Pathways Project (DDPP)\(^5\) is an initiative to show how individual countries can transition to a low-carbon economy (IDDRI / SDSN, 2014).
• Introduce the concept of sustainable infrastructure into the G20’s infrastructure initiatives. The G20 could play an important leadership role in taking the actions needed to bridge the infrastructure gap (estimated around 90 trillion USD over the coming 15 years) and in incorporating climate risks and sustainable development factors more explicitly in infrastructure development strategies (Bhattacharya, Oppenheim & Stern, 2015).
• Design the envisioned G20 Framework on Innovation and Technology Diffusion (EPF, 2015) as a vehicle to foster transformation towards sustainable development.
• Establish a G20 Green Finance Task Force (or: G20 Task Force on Financing Sustainable Development). Today’s capital markets do not ‘price in’ climate change and they do not raise the volumes of long-term capital that are required for the SDGs. Central banks and financial regulators are crucial to support the redeployment of private investment capital. Sustainable

\(^5\) The DDPP is led by the Sustainable Development Solutions Network (SDSN) and the Institute for Sustainable Development and International Relations (IDDRI) and comprises Country Research Teams from 15 of the G20 countries.
development needs to be integrated into the mandates of supervisory agencies, listing rules, and financial stability (Schmidt-Traub & Sachs, 2015; UNEP, 2015).

- Launch an initiative for consistently tracking all financial flows for sustainable development. So far there has been little consistent data on the different types of flows. IMF, UNCTAD, and OECD regularly come up with different, even contradictory figures on Foreign Direct Investment (FDI). Even with respect to public flows it is difficult to collect and compare data e.g. from multilateral development banks, from OECD as well as from non-OECD sources.

- Embrace the African Union’s initiative for setting up the Africa Global Partnership Platform (AGPP). This new partnership mechanism is premised on Africa’s regional integration agenda and a coalition-building forum comprising, beyond its African members, investment and aid partner countries inter alia from the G20 (AU, 2015a; AU, 2015b; AU, 2014; Hayford & Kloke-Lesch, 2013).

By establishing a framework for SDG implementation and by taking first concrete steps over the next months, the G20 could convincingly demonstrate its relevance when it comes to issues of huge global concern. Many observers talk about a return of the geopolitics of old. Some see this as making the G20’s structure quite fragile (RDCY, 2014). However, despite the ongoing crises and conflicts in the world, the global community in 2015 has the opportunity to lay the foundation for a good life for all humans within the boundaries of our earth. Reflecting and acting on our common interest in a good tomorrow can help to see the current conflicts in a new light and find ways to overcome them (SDSN Germany, 2015). Seen from this angle, a constructive and ambitious G20 role in implementing the SDGs could even contribute to a different, positive notion of geopolitics that steers clear of the power politics of yesterday and puts people and planet center stage.

References


