Achieving the SDGs: Addressing Present Challenges and Building Resilience against Future Crises

The 17 SDGs adopted in 2015 provide a comprehensive and agreed blueprint for sustained global development which “leaves no one behind”:

2. The adoption of the SDGs at the national level has contributed to more focused development policies encompassing economic, social and environmental aspects of sustainable and equitable growth and development.

3. However, after halting progress in the initial years after 2015, it was already evident that most developing countries were falling behind in the pace of progress needed to achieve the SDGs by 2030.

4. The development efforts of the developing countries suffered a severe setback due to the COVID-19 pandemic, which affected the poorest countries and the poorest people disproportionately. They also suffered from a deficit of solidarity in timely access to the COVID-19 vaccine as well as the provision of the liquidity and fiscal space they needed to recover from the economic and social impacts
of the pandemic. Their financial needs rose from $2.5 to $4.3 trillion according to UNCTAD estimates to realize SDGs.

5. The supply chain disruptions caused by the COVID-19 “lockdowns” and border closures, accompanied subsequently by the huge liquidity created by the stimulus injections in the developed countries to recover from the pandemic, generated an excessive spike in the prices of essential commodities, especially food and fuel, further compounding the financial and fiscal difficulties facing the developing countries.

6. Simultaneously, the impacts of climate change have enlarged in severity and frequency, manifested by hurricanes, heat, drought, excessive rainfall and massive floods (as so evident from the epic and devastating floods in Pakistan).

7. Further, the proliferation of conflicts (some aggravated by climate and environmental impacts), especially the Russia-Ukraine war and the accompanying restrictions on trade and supply chains, have combined to create a triple crisis of food, fuel and finance that threatens economic collapse in almost 50 developing countries, and has sharply reversed progress towards achieving the SDGs.

8. The response of the international community so far has fallen far short of the level required to enable developing countries to recover from the multiple crises they confront and restore them on
the path towards achieving the SDGs by 2030 as well as address the accompanying goals agreed on climate change, biodiversity, the oceans and other environmental objectives.

9. The Ministerial meeting of the Group of 77 and China, being convened in New York on 14 and 15 December 2022, will seek to identify and agree on:

   **One**, the urgent and emergency measures required to enable the developing countries overcome the immediate challenges of food, fuel and finance which they confront at present; and

   **Two**, the systemic measures and structural changes needed to accelerate the implementation of the SDGs, as well as the complementary goals of the Paris and other environmental agreements.

10. To this end, the members of the Group will address the issues of food security and energy supplies at affordable and fair prices and, most critically, ways to mobilize the financing required to assure food and fuel security and to prevent economic collapse in the most severely affected countries. This would encompass solutions for debt distress, including through possible extension and the expansion of G20’s DSSI and collective and accelerated application of the “Common Framework”; additional and larger emergency concessional finance from the MDBs, including through
recapitalization; the reallocation of unutilized SDRs and/or creation of additional SDRs; fulfillment of the 0.7% of GDP on ODA commitments; and the pledges for at least $100 billion per year in climate finance, half of which for adaptation, and establishment of a financing mechanism for “loss and damage”.

11. To revived sustained progress towards achieving the SDG and environmental goals, the Conference would promote a comprehensive strategy, including:

(i) Reform of the international financial architecture through a sovereign debt management mechanism, larger concessional finance from MDBs (including their recapitalization); additional issuance of SDRs aligned with the SDGs; reducing borrowing costs for developing countries; and innovative financing.

(ii) Mobilization of investment in sustainable infrastructure through preparation of a pipeline of bankable projects in developing countries and attracting public and private investment, especially by “de-risking” investments through public-private partnerships (blended finance, guarantees, SDG/Green Bonds etc);
(iii) Mobilization of adequate climate finance from the floor of $100 billion per year pledged by the developed countries, and utilizing this to leverage additional financing, including private finance for climate adaptation, and building a financing facility for “loss and damage” caused by climate impacts;

(iv) A reform of the international trading system to ensure that trade fosters growth in the developing countries and realization of the SDGs;

(v) A fair international tax regime, including digital trade, and actions to halt and reverse illegal financial flows;

(vi) An open technology agreement which assures developing countries access to advanced technologies relevant to achievement of the SDGs and environmental objectives and builds their “development capacity”;

(vii) An equitable international information and technology regime which bridges the digital divide and enables the developing countries to “leap frog” into the economy of the future.
12. The Group of 77 and China will commence preparations for the outcomes of the Ministerial Conference in New York during the next weeks preceding the Conference. The Conference’s outcome document will be action-oriented and designed to assist the Group of 77 and China to secure tangible results on the SDGs and Agenda 2030 at the “SDG Summit” to be convened at the UN in September 2023, as well as contribute to the outcomes of the Third South Summit in Uganda and the “Summit of the Future” in 2024.

13. The proposed Programme for the Ministerial Conference will be forwarded shortly.

***