





















### Redesign our future

The UN SDGs: 5 years and the next 10 years



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### **Redesign our future**

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### **Redesign our future**

The UN SDGs: 5 years and the next 10 years

### **PREFACE**

5 years have passed since the Sustainable Development Goals (SDGs) were adopted and implemented by countries around the world. Nonetheless, the progress made thus far is disheartening. In spite of the adoption of SDGs in 2015, economic growth at the expense of social exclusion and ecological destruction rather led us to struggle with bigger ordeals, such as the COVID-19 pandemic. Global challenges, including poverty, climate change, and those in health and education, impeded achieving the 17 SDGs within the designated time frame. I have been urging the member states of the UN, the private sector, and members of civil society to strive for SDGs implementation without leaving anyone behind. In order for all of us to live in harmony and prosperity, the Ban Ki-moon Foundation for a Better Future prepared this issue paper to provide an introspection of the 5-year implementation progress of SDGs and a blueprint for the next decade. The paper reexamines our conventional development paradigm, advises to take stock of the achievements of the SDGs based on objective measurements, and leaves key recommendations for the future.

First, noting that we are living in a closely interconnected world, we should be guided by the principle of a shared and prosperous future. However resourceful or powerful they are, no country, business, or individual can thrive alone. We have to work together in a collective fashion for a sustainable future in accordance with the SDGs, which covers all basic needs of living creatures on earth and a whole spectrum of our ecosystem from economy to society. Global actions for SDGs require stronger multilateralism in a concerted manner. Its recent decline has been caused by conflicts among economic



powers, including the US-China trade war, US withdrawal from the Paris Agreement and the WHO, all of which have undermined the collective efforts of the global society. It is high time that we reassert the importance of multilateralism.

Second, it is crucial to promote awareness of global citizenship. During my 10-year term as the UN Secretary-General, I have met numerous political and economic leaders and civil society activists. These experiences enlightened me of how important it is to promote global citizenship. Global citizens are those who identify themselves as members of the global society with a sense of unity and solidarity. They think beyond national borders and refuse to look through the prism of national, personal, economic and political gains in the short-term. However, global leadership is absent in most of the countries, especially in major economies. There has been a worrisome rise of nationalism across the world in this era full of uncertainties. This threatens both international peace and security, and sustainable development.

Last, we need to clearly address the root cause of the recent global pandemic to break this vicious cycle. COVID-19 is a wake-up call on the ecological crisis. Even at this very moment, icebergs and tundra on the other side of the globe are melting and wildlife habitats are being destroyed. Meanwhile, our collective efforts toward SDGs achievement have faded over the last 5 years. Global leaders are hardly harnessing political will or even paying attention to the critical challenges that humankind is faced with.

It is desperately called for that countries around the world to join forces in achieving 17 SDGs by 2030. However, the progress made since 2015 has not been sufficient and does not seem to guarantee SDGs achievement by 2030. Furthermore, the COVID-19 crisis could justify rapid economic recovery at the expense of ecological and social sustainability, which could jeopardize even the little achievement we made over the last 5 years. Hence, I humbly recommend that Secretary General Guterres hold a UN Special Summit to review the progress of the SDGs in 2025 and to start drawing up the post-2030 agenda. We cannot afford to reach the deadline without preparation.

Ki Montoon

Ban Ki-moon

The 8<sup>th</sup> Secretary General of the United Nations Chairman of Ban Ki-moon Foundation for a Better Future

### **Redesign our future**

The UN SDGs: 5 years and the next 10 years

### **EXECUTIVE SUMMARY**

Many countries in the world have faced challenges in implementing the 17 goals of Sustainable Development since their establishment in 2015. This issue paper includes 6 key messages from the 8th Secretary-General of the United Nations to take stock of the achievements of the SDGs during the past 5 years based on objective measurements and a concrete implementation plan for the next 10 years. This paper covers engagement with multiple stakeholders, including government, the private sector, NGOs, civil society, and international organizations. Also, cooperation with relevant institutions and associations is analyzed. This paper reviews the current progress of achieving the SDGs in both quantitative and qualitative dimensions. By applying quantitative methods in selected countries, this paper draws meaningful implications to support the 6 key messages to the world as follows:

### 1. Realigning interactions among the SDGs

**FINDINGS.** Lack of understanding on interactions among the 17 goals, as well as the three pillars of the SDGs – the economic, environmental and social pillars has been prevalent in global society. Policy makers obsessed with maximizing short-term GDP growth find it difficult to allocate sufficient resources for long-term social and ecological goals. Under ever intensifying market competition, the private sector is forced to focus on short-term economic efficiency in many cases at the expense of social and ecological sustainability. The general public suffering from the widening income gap and worsening job security demands immediate economic return rather than providing political support



for long-term ecological crisis like climate change. Lack of social consensus on how to balance short-term economic benefit with long-term social and ecological goals is a major challenge. In order to promote social consensus on SDGs, better understanding on the synergies and trade-offs among short-term economic goals and long-term social and ecological goals is essential. In particular it is essential to share the vision that long-term investment in social and ecological goals will eventually lead- to higher economic growth and job creation in the long run. Leaders and decision makers in each country often misunderstand the synergies and trade-offs among the SDGs as they over emphasize short-term economic perspectives. This leads to a vicious cycle of failing to decouple economic growth from negative environmental and social impacts and to maximize synergies among economic, social and environmental goals.

RECOMMENDATIONS. (1) Global research initiatives to identify conditions and policy options to maximize synergies and minimize trade-offs among the SDGs through conducting time-series analysis should be launched. Investing in social and ecological goals can be a cost in the short run. But in the long run, enhanced social development and ecological sustainability can stimulate higher economic growth and job creation. This is why we have to focus on the time series analysis between short-term economic cost and long-term social and ecological return. This could make decision makers get a clear picture about the virtous cycle of enhanced social and ecological goals boost economic targets like industrial innovation and decent jobs. (2) Local intiatives at country level to produce a masterplan for comprehensive sequencing and prioritization among the SDGs reflecting local circumstances and conditions should also be kicked-off. (3) We have to shift away from development plans focused on maximizing short-term economic growth towards a comprehensive development paradigm that maximizes synergies among long-term social and ecological returns and short-term economic benefit of job creation and GDP growth. Europe's Green Deal is a good example to follow.

### 2. Assessing COVID-19 and its implications on the SDGs

**FINDINGS.** The COVID-19 pandemic has impacted our world in unparalleled ways. First, COVID-19 has magnified existing inequalities and widened socioeconomic divisions in our societies, especially as the virus spreads further into poorer countries that lack

the health care capacities of richer nations. It is not sufficent to merely try to return to business as usual, radical change is needed in these unpredented times. Second, despite the great need for global leadership and a strong multilateral response to the global pandemic, the world is lacking both of these at this critical moment. The divided UN Security Council, whose ability to lead has been critically undermined by the ongoing conflict between the US and China, has been ineffective in addressing COVID-19 and its major implications for global security. Finally, many of the hard-won development gains over the past few years are now in danger of being lost as a result of COVID-19. The economic and societal impacts of COVID-19 are delaying the achievement of the 17 SDGs and their targets.

RECOMMENDATIONS. (1) Aligning COVID-19 recoveries to the SDGs is incredibly important for the benefit of all nations and people. Global multi-stakeholder partnerships are necessary in order to achieve our development commitments under the SDGs despite the ongoing pandemic. Goal 17 of the 2030 Agenda calls for "multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries." (2) In order to respond to the unprecedented situation and dangers the world now faces, we must strengthen multilateralism. Cooperation, partnership, and global governance, including strong leadership of the UN and the WHO, are needed in our fight against COVID-19. (3) Governments need to improve their political commitment and public financing to health. To overcome COVID-19, governments need to implement sound health and economic policies, and in particular scale-up their public health spending and readiness.

### 3. Rebalancing among SDGs Stakeholders

**FINDINGS.** While the SDGs are aimed to balance social and ecological goals with economic goals, under the current market economy paradigm, the private sector is faced with the ever intensifying competition to produce the lowest cost products has to focus on short-term economic efficiency. Policymakers of the public sector are under political pressure to maximize short-term GDP growth as people suffering from the worsening income gap and job risk demand immediate short-term tangible economic benefits while



ignoring long-term social and ecological challenges. In order to get out of the vicious cycle of short-term economic efficiency towards a virtuous cycle of long-term social and environmental goals, the public sector has to play a leading role in long-term resource allocation through fiscal policies while civil society has to provide political support and lead social consensus for the vision of the SDGs.

**RECOMMENDATIONS.** (1) Rebalancing of the roles played by the private sector, the public sector and "civil society" or "people" is needed in order to ensure economic efficiency is synergized with social inclusion and ecological sustainability. In other words; a virtuous cycle among People, Prosperity and Planet. The public sector has to play a leading role in increasing long-term investment for social and environmental goals, while the private sector plays a major role in securing investment for short-term economic gains. Civil society and people have to provide political support for long-term investment by the public sector for social and environmental goals. The public sector and civil society have to collaborate to promote social consensus in partnership with the private sector for the achievement of the SDGs. (2) All the stakeholders should invest in adopting and systemizing relevant indicators. First, the public sector should build the socio-political enabling conditions to encourage the engagement of civil society and the private sector. Second, diffusion of Environment, Social and Governance (ESG) index can be crucial in both quantifying and evaluating the possible social and environmental cost and impact of short-term economic investments. ESG framework posits the three central dimensions (environmental, social and governance) to measure the sustainability performance and the societal influence of a firm (Henisz et al. 2019).

### 4. Empowering & engaging stakeholders

**FINDINGS.** While the public sector is playing a leading role in long-term resource allocation and the private sector for short-term resource allocation under any market economy, civil society, women, youth and vulnerable groups are not fully empowered or marginalized in decision making processes for actual resource allocation of the SDGs. In many cases, a bottom-up approach is not systematically integrated into the implementation strategy of the SDGs. The public sector often fails to align the private sector and to engage civil society towards the SDGs. Some institutional arrangements for

the SDGs in many countries fall short of making actual decisions for resource allocations. However, the public sector has to play a critical stewardship role in incentivizing the private sector and empowering civil society to join the decision making process for balanced resource allocation for short-term economic targets and long-term social and ecological goals

**RECOMMENDATIONS.** (1) The public sector should design a SDGs resource allocation process or institution with full participation of the private sector and civil society. Institutional arrangement with full power to make resource allocations for the SDGs within the governance system to integrate SDGs into the national development plan should be considered. Such an institutional arrangement will enable ownership of the SDGs by the policy makers of the public sector. (2) The private sector should grasp long-term social and ecological investment as new business opportunity and accept to evaluate their performance by the ESG index. They should align their marketing strategy with the targets of the SDGs. (3) Civil Society Organizations should take a leading role in promoting social consensus, monitoring and evaluating while considering the feedback from the relevant stakeholders, professional groups, women and youths. (4) Positive partnership model among public, private and civil society (people) for concerted action to promote the SDGs has to be forged. The partnership model aims for coordination and cooperation of the empowered actors for the effectiveness of decision making process for resource allocation. The four steps for the partnership model for SDGs consensusbuilding are: Step1 - Consensus building within each stakeholder> Step2 - Consensus building between the stakeholders> Step3 - Cementing partnership governance> Step4 - Evaluating the partnership

### **5.** Monitoring & reviewing SDGs implementation

**FINDINGS.** Monitoring and reviewing SDGs implementation is critical for local ownership of the SDGs and achieving the global goals by 2030. However, data availability and statistical deficiencies across different countries hinder regular and effective SDGs follow-up. Besides, it seems that some existing reports produced in the private sector do not fully capture possible synergy and trade-off relationships between the goals and targets.



More importantly, there is a lack of effort to synthesize the existing approaches by relevant international organizations and research institutions to mesure well-being and SDGs implementation. For instance, the Organisation for Economic Co-operation and Development (OECD) has been involved in the debate on measuring the well-being of people and societies. Based on the assumption that there is more to life than several economic statistics such as gross domestic product (GDP), the OECD Better Life Index is designed to let the users compare well-being across OECD countries while not assigning rankings of those countries. Meanwhile, the annual Sustainable Development Report published by the Sustainable Development Solutions Network (SDSN) and the Bertelsmann Stiftung presents the SDGs Index and Dashboards for all UN member states, yet the report may not fully capture possible synergy and trade-off relationships between the goals and targets.

It is also noteworthy to mention that the problem is partially due to fundamental limitations of the voluntary national reviews (VNRs), which are part of the follow-up and review of the 2030 Agenda for Sustainable Development. The VNRs arguably are the only means to investigate formally the implementation of the SDGs by UN member states. In order to function the HLPF as the central platform and effective place to follow-up and review the SDGs and to address the global sustainable development governance deficit, qualitative and quantitative development of the VNRs is very important. One of the most noticeable points of the past VNRs reports is that the format and content of those reports vary hugely. Secondly, there is a lack of work to analyze the synergy and trade-off relationships between the goals and targets. Thirdly, while most VNRs reports mainly utilize quantitative data, there is an absence of qualitative data analysis and case studies of the national SDGs implementation to fill the gaps between the quantifiable SDGs indicators and non-quantifiable social reality.

**RECOMMENDATIONS.** (1) Considering the different kinds of existing approaches to measuring well-being and SDGs implementation, in line with the VNRs, it is necessary to launch a global initiative to not only systematically monitor and review SDGs implementation but also investigate social and ecological sustainability from a different angle and break way from excessive focus on short-term economic progress. (2) There should be a standard requirement for all UN member states to integrate the SDGs into their national budgetary processes and to follow the Voluntary Common Reporting

Guidelines in their voluntary national reviews (VNRs) based on the budgeting processes in reviewing progress towards the SDGs; (3) The current VNRs guidelines should be revised by the UN DESA and the General Assembly to clearly outline the monitoring measures and review processes for exploring the synergy and trade-off relationships between the goals and targets at national level; (4) VNRs should complement the focus on quantitative indicators with more qualitative methodologies; and (5) The "review of reviews" could be done by strengthening expert and scholarly engagement in the process of SDGs monitoring and evaluation.

### 6. Sharing experiences

**FINDINGS.** Weakened global solidarity and lack of sharing experiences among countries has made many developing countries repeat the same mistakes that developed countries have gone through during their economic development stage. Leadership of international organizations is declining and cooperation among nation states has become more difficult. This phenomena can be observed through the recent responses to the global pandemic COVID-19.

RECOMMENDATIONS. (1) Suggesting to the UN Secretary General Guterres to convene a Special SDGs UN Summit in 2025 to review and share experiences and to discuss strategies beyond 2030. (2) Global platforms for sharing best practices and experiences can be devised by encouraging the participation of various stakeholders. The platforms can facilite knowledge sharing among stakeholders in the public sector, private sector, and civil society. Also, they could play a role to fill the gap stemming from the limitation of conventional players such as government and international organizations and so on. (3) We need to depoliticize global crises among nations through strengthening the role of multilateralism. Cooperation among countries seems more difficult under the current situation of a global crisis, thus a standing committee for Pandemic crises can be set up with a leading role of the UN Secretary General with assistance from other multilateral agencies. (4) A mechanism for efficient resource allocation in a post-COVID-19 world needs to be prepared to strengthen global governance. Governments and international organizations need to cooperate in preparing a plan for resource reallocation in a post COVID-19 world.



### Way forward

- (1) A global research initiative to identify policy options and conditions to maximize synergies and minimize trade-offs among SDGs should be launched by relevant research institutions and academia. The aim of this research initiative is to devise a new development paradigm that integrate economic targets into social and ecological goals of SDGs and get away from the short-term GDP paradigm.
- (2) Diverse global platforms to share best practices and experiences of SDGs implementation should be launched at various levels and regions among the relevant stakeholders and interested groups. Such platforms that could be formed on a voluntary basis could supplement and fill the gap created by the formal arrangements by the international organizations and institutions.
- (3) We suggest the UN Secretary General Guterres to convene a Special UN SDGs Summit in 2025 to review the progress and to lay out the strategy for covering the last miles left till 2030.
- (4) A positive partnership among public, private and civil society groups to forge social consensus for effective implementation and resource allocation for the SDGs should be actively explored at the local, national, regional and global level. The public Sector should initiate long-term vision for a paradigm shift by including the SDGs within their national development plans or strategies, and establishing a SDGs designated organization.
- (5) The private sector should actively grasp the SDGs as new business opportunities and adopt ESG index which measures societal and ecological impact of shortterm economic targets. Civil society organizations should actively promote social consensus and provide political support for long-term SDGs investment.
- (6) The UN DESA and the General Assembly should revise the current VNRs guidelines to clearly outline the monitoring measures and review processes for investigating the synergies and trade-offs between the goals and targets of the SDGs at national level.



CHAPTER

## Sizing up the Challenge

### Sizing up the Challenge

Many countries in the world have faced challenges in implementing the 17 goals of Sustainable Development since their establishment in 2015. SDGs performance is difficult to be fairly achieved among the various states in the world due to uneven resource allocation to mobilize. In accordance with the Sustainable Development Report 2019 (Bertelsmann Stiftung and SDSN, 2019) by Bertelsmann Stiftung and the UN Sustainable Development Solutions Network (SDSN), Nordic countries – Denmark, Sweden and Finland were ranked as top of the SDGs index, whereas non-European countries were absent from the top 20, except for Canada, New Zealand, the Republic of Korea and Japan. Moreover, the report indicates that OECD countries perform better on goals such as SDG1 (No poverty), SDG3 (Good health and wellbeing), SDG6 (Clean water and sanitation) and SDG7 (Affordable and clean energy), related to socio-economic outcomes. However, the rich nations are required to make more effort on climate change and biodiversity protection to decouple economic growth from the destruction of nature. As for the other parts of the world, a similar tendency is observed with negative trends on SDG13 (Climate action) and SDGs 15 (Life on land) in general.

In the Republic of Korea, the SDGs have been implemented fragmentedly as the goals were not directly embedded in its national development plan. This shows that retaining ownership of the SDGs stemmed from political leadership is important to integrate the philosophy into the national socio-economic development process. This paper aims to find the missing link between the SDGs and a national political agenda through 6 key messages that can provide insights to all stakeholders. An institutional strategy can play a role to link the gap. For instance, Japan established a "SDGs Promotion Headquarters" headed by the Prime Minister to effectively achieve the SDGs in May 2016. The headquarters aims to take a leading role, both domestically and internationally, to



implement the SDGs by ensuring a whole-of-government approach (Ministry of Foreign Affairs Japan Homepage)<sup>1)</sup>. If the Republic of Korea could arrange such an institutional entity under direct presidential or prime ministerial control, the implementation of the SDGs would be much more effective.

It is a meaningful opportunity for the Ban Ki-moon Foundation for a Better Future ("BKM Foundation") to deliver a message to the world in celebration of the 5th anniversary of the Sustainable Development Goals. The message from the 8th Secretary-General of the United Nations is to take stock of the achievements of the SDGs during the past 5 years (based on objective measurements) and a concrete implementation plan for the next 10 years. This paper promotes the mission of the BKM Foundation as follows; this is academic research, as well as a policy proposal for a better future of the SDGs. It aims to establish a future-oriented vision of the next generation. The process involves engagement with multiple stakeholders, including government, the private sector, NGOs, civil society, and international organizations. Also, cooperation with relevant institutions and associations is required. The paper suggests investigating the current progress of achieving the SDGs in both quantitative and qualitative dimensions. By applying quantitative methods in selected countries, this paper draws meaningful implications to support the 6 key messages to the world.

The analytical process investigates databases and websites, including the SDGs indicators, open SDGs Data Hub, Our World in Data's SDGs Tracker, and others, when applicable. Also, to examine the background context and operation mechanism of the partnership model within the SDGs framework, interviews with top-level managers who represent each participant group are conducted. In addition, qualitative data on the localization of the SDGs is compiled separately as international cases (best practices). By collecting global SDGs data and assessing SDGs reports, the report analyzes and synthesizes existing global SDGs data and reports to kick off the Decade of Action to achieve the SDGs. The Global SDGs data and reports include publications such as the United Nations' annual SDGs Report and World Bank Group's Atlas of Sustainable Development Goals. Reports from the private sector, for example, a joint publication by Bertelsmann Stiftung and Sustainable Development Solutions Networks (SDSN), are reviewed as well.

<sup>1)</sup> Ministry of Foreign Affairs Japan https://www.mofa.go.jp/policy/oda/sdgs/effort/index.html

In order to draw 5 key messages for the next 10-year implementation of the SDGs, current SDGs performance needs to be assessed based on SDGs indicators and we named it as the key findings. Once the key findings/current situation are understood, recommendations are suggested with specific action plans to achieve each corresponding message.

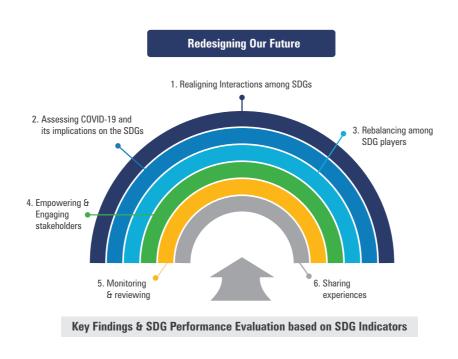
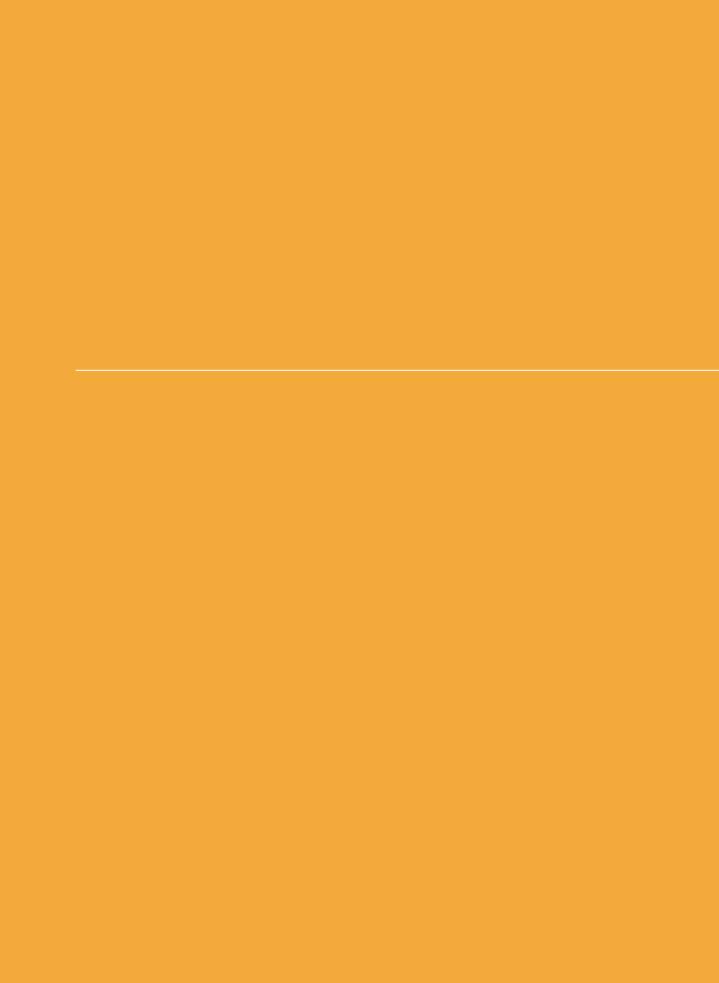


Figure 1 - Visualization of 6 key messages of the SDGs

To be more specific about the 6 key messages as [Figure 1] describes, first, realigning interactions among the SDGs is required. Often, synergies and trade-offs among the 17 SDGs are misunderstood by putting too much weight on economic oriented short-term value. Second, we need to rebalance the center of gravity among the major stakeholders of the SDGs. Whereas the role of the public sector is expected to be reduced, both the private sector and civil society will need to expand their contribution to the implementation of the SDGs. In addition, marginalized SDGs players like women and young people should be involved more actively to find a new balance. Third, empowering



and engaging SDGs players through a bottom-up approach is necessary. Partnership among SDGs stakeholders can only be feasible through this effort. Fourth, monitoring and evaluating SDGs implementation helps better performance of the SDGs in the future. Last, the message emphasizes the importance of sharing experience through multilateralism among the players. The value of multilateralism has been weakened recently due to the conflict between the US and China, thus it is time to be reminded of the importance of multilateralism for the achievement of Sustainable Development Goals.



## **Key Messages**

- **2.1** Realigning interactions among the SDGs
- 2.2 Assessing COVID-19 and its implications on the SDGs
- **2.3** Rebalancing among SDGs stakeholders
- **2.4** Empowering & engaging stakeholders
- 2.5 Monitoring & reviewing SDGs implementation
- **2.6** Sharing experiences



# Realigning interactions among the SDGs

The 17 SDGs interact with each other and the interactions often have synergies and trade-offs. Lack of understanding on this dynamism among the goals, as well as the three pillars of the SDGs – economic, environmental and social pillars has been prevalent in global society. Especially among leaders or decision makers of each country, the SDGs are often misunderstood as goals for environmental protection that incurs costs and burden on economic development. This is why 'prosperity' related goals such as SDG7 'Affordable and clean energy', SDG8 'Decent work and economic growth', and SDG9 'Industry, innovation and infrastructure' are not properly integrated into their national development. In many cases, the leaders do not hold ownership of the SDGs and this impedes the values of the goals to be integrated into national development plans thoroughly. Thus, economic related SDGs are considered first without thinking about their interactions with other SDGs for environmental and social values.

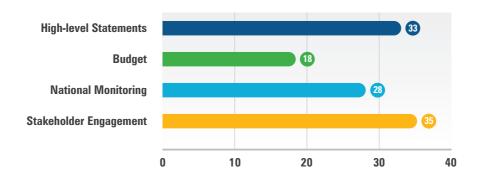
#### **FINDINGS**

According to a survey by SDSN (Bertelsmann Stiftung and SDSN, 2019),<sup>2)</sup> 33 out of 43 interviewee countries say 'yes' to the question asking whether there is an official

<sup>2)</sup> SDSN(2019) Survey on national coordination and implementation mechanisms for the SDGs at the Central/federal level of government in Sachs et al. (2019) from Sustainable Development Report 2019



statement by a high-ranking official (head of state/cabinet member) endorsing the implementation of the SDGs at national level. Also, only 18 out of 43 countries allocate a designated budget for SDGs implementation in the survey as [Figure 2] represents. This means that still the majority of nations in the world pay little attention to incorporating the SDGs into their national development plans because resource allocation is decided based on short run perspective focused on economic growth.



**Figure 2** - Absence of SDGs ownership: number of coutries answered "yes" to SDGs ownership (adopted from SDSN, 2019)

Our quantitative analysis results show that Norway successfully decoupled GHG emissions from economic development in the recent decades as [Figure 3] describes. SDG 7 Affordable and clean energy, SDG 8 Decent work and economic growth, and SDG 13 Climate action all show upward trends over time. In other words, Norway does not compromise its environmental quality for the sake of economic development. Moreover, some advanced countries, such as European countries, have made progress on decoupling economic development from emissions as shown by [Figure 4]. While they have achieved economic development, their carbon emissions have started to decrease continuously. This can be a model example that developing nations can refer to in pursuing their economic prosperity.

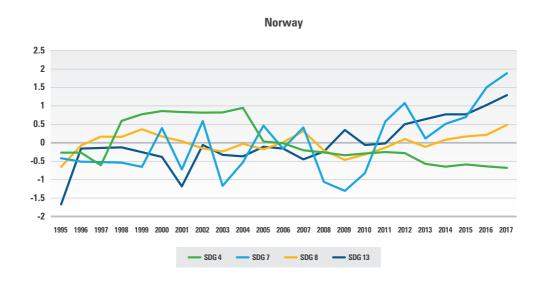


Figure 3 - Synergies among SDGs in Norway

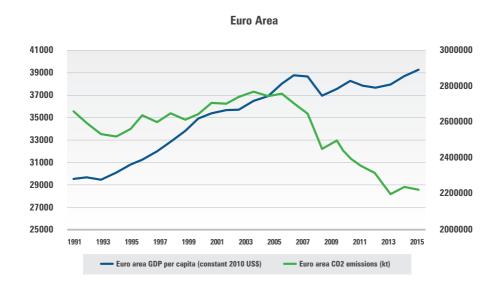


Figure 4 - Synergies among SDGs in Euro Area



However, things are quite different in many developing countries. Economic development is often accomplished while causing social exclusion and the destruction of ecosystems and climate change. Economic prosperity which relies on fossil fuel use creates environmental and social challenges, such as climate change and air pollution. [Figure 5] shows that South Asian countries economies and greenhouse gas emissions have been increasing rapidly. This trend worsens climate change.

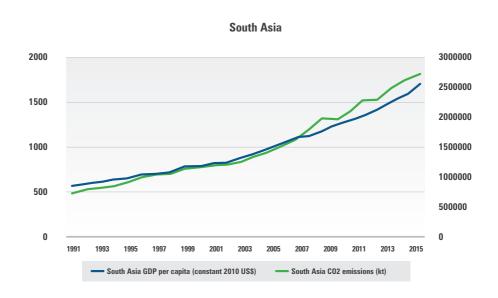


Figure 5 - Trade-offs among SDGs in South Asia

A resource allocation based on short run economic gains without understanding the interactions among the SDGs often results in such negative consequences. Thus, synergies and trade-offs, not only among the SDGs themselves, but also between long-term and short-term goals need to be contemplated and realigned.

#### RECOMMENDATIONS

To resolve current problems regarding the realignment of the SDGs, we are suggesting the following recommendations.

- (1) We need to identify conditions and policy options to maximize synergies and minimize trade-offs among SDGs. This can be possible through conducting time-series analysis as we showed previously on the quantifiable goals in each country. This allows decision makers to get a clear picture about SDGs implementation and interactions. Among many quantification methods, indexing thorough factor analysis enables us to compare the achievement with specific numbers. Adopting a new concept of global public goods will provide a long-term vision for a paradigm shift among economic, social and ecological goals of the SDGs.
- (2) We need to provide institutional strategies such as establishing a SDGs designated authority within the governance system and integrating the SDGs in official national development plans. Strong leadership initiates institutional alignment, especially those who retain long-term perspective for national development. Such leadership can be urged through citizen awareness and demand for sustainable development. Japan's SDGs promotion headquarters is a good example of where the SDGs are successfully incorporated as a governmental institution (Ministry of Foreign Affairs Japan Homepage).<sup>3)</sup> Establishing an independent governmental authority for SDGs implementation is a critical requirement for realigning interactions among the SDGs.

### Case study: Japan's SDGs promotion headquarters

- In order to promote the SDGs, Japan has established the "SDGs Promotion Headquarters" in May 2016. The Prime Minister of Japan leads the "SDGs Promotion Headquarters" to encourage the implementation of the SDGs domestically and internationally. The "SDGs Promotion Headquarters" enables Japan to take a wholeof-government approach to achieve the SDGs.
- The "SDGs Promotion Roundtable Meeting" gathers various stakeholders, including
  the government, NGO/NPOs, experts, the private sector, etc., and promotes the
  exchange of stakeholders' opinions. After the roundtable meeting, Japan created the
  "SDGs Implementation Guiding Principles" in December 2016.

<sup>3)</sup> https://www.mofa.go.jp/policy/oda/sdgs/effort/index.html



- In December 2019, the 8th meeting of the SDGs Promotion Headquarters was held and revised the "SDGs Implementation Guiding Principles". In the same meeting, Japan decided the "SDGs Action Plan 2020" that provides detailed information of the Japanese government's efforts on achieving the SDGs.
- (3) We need to encourage investment in social and environmental sectors. This will eventually bring about economic development by changing the concept of global public goods. Moreover, governmental policies should reflect long-term consideration to pursue economic development related to SDG8 'Decent work and economic growth', SDG9 'Industry, innovation and infrastructure' and SDG11 'Sustainable cities' by internalizing negative externalities. For instance, Europe's Green Deal is an effort to push forward to a more sustainable economy. China also supports low-carbon transport, energy and technology initiatives through funding (Ban, 2020).4 The Republic of Korea's Green and Digital New Deal can be considered in a similar context. As a case study, here we provide the EU's Green New Deal. On 11 December 2019, the European Commission presented the European Green Deal which sets out how to make Europe the first climate neutral continent by 2050, boosting the economy, improving people's health and quality of life, caring for nature, and leaving no one behind. The European Green Deal provides a roadmap with actions to boost the efficient use of resources by moving to a clean, circular economy and stop climate change, revert biodiversity loss and cut pollution. It outlines investments needed and financing tools available, and explains how to ensure a just and inclusive transition (EUR-lex, 2019). As this case shows harmonizing long-term benefits of the SDGs with short-term economic gains can only be achievable when we share a new vision towards a win-win synergy among countries in the world.

<sup>4)</sup> Ban, Ki-moon (2020) America needs a major infrastructure overhaul and it must be green Fortune. July 28, 2020. https://fortune.com/2020/07/28/trump-infrastructure-bill-climate-change-green-building-coronavirus-covid/

<sup>5)</sup> https://eur-lex.europa.eu/legal-content/EN/TXT/?qid= 1596443911913&uri=CELEX:52019DC0640#document2

### Case study: The EU's Green New Deal

### [COVID-19 and Green Growth] of 7)

European Climate Law: legally bind net zero GHG emission by 2050 (proposed on March 4, 2020)

- Set the long-term direction of travel for meeting the 2050 climate-neutrality objective through all policies, in a socially-fair and cost-efficient manner
- Create a system for monitoring progress and take further action if needed
- · Provide predictability for investors and other economic actors
- Ensure that the transition to climate neutrality is irreversible

### [COVID-19 and Economic Recovery]

The European Green Deal Investment Plan(EGDIP)/ Sustainable Europe Investment Plan (SEIP)

- Investment pillar of the Green Deal
- 1 trillion Euro in sustainable investments will be spent
- Just Transition Mechanism: 100 billion investment between 2021-2027 to support those who most impacted by transition
- InvestEU: leverage around 279 billion Euro for public and private investment in environment and climate related objectives
- Innovation & Modernization Funds: revenue from a policy tool-EU ETS provides 25 billion Euro for climate neutrality
- Next Generation EU: new recovery instrument of 750 billion Euro supporting green and digital transformation, but primarily focusing on green growth transition

<sup>6)</sup> European Comission (2020a)

https://ec.europa.eu/clima/policies/eu-climate-action/law\_en#:~:text=With%20the%20European%20 Climate%20Law,greenhouse%20gas%20emissions%20by%202050.&text=By%20September%20 2023%2C%20and%20every,and%20the%202030%2D2050%20trajectory

<sup>7)</sup> European Comission (2020b)

https://ec.europa.eu/commission/presscorner/detail/ en/qanda\_20\_24



2. KEY MESSAGES

# Assessing COVID-19 and its Implications on the SDGs<sup>®</sup>

We are facing a period of converging crises and pressing challenges that have upended the international order and ushered in a new period of global unpredictability and risk. COVID-19 has impacted our world in unprecedented ways. This global pandemic has contorted our daily lives, interpersonal relationships economies, health care, and educational systems. There have been over 40 million total cases of COVID-19 and over 1,100,000 global deaths. The UN estimates that COVID-19 has cost 400 million jobs in the second quarter of 2020 alone and COVID-19 has amplified existing inequalities in health care, labor, housing, food, gender equality, and other key areas.

#### **FINDINGS**

First, COVID-19 has magnified existing inequalities and widened socioeconomic divisions in our societies, especially as the virus spreads further into poorer countries that lack the health care capacities of richer nations. The pandemic will continue to have major ramifications for the developing world. Particularly vulnerable are those in conflict zones, refugees, the disabled, women, and other marginalized groups. To overcome this crisis,

<sup>8)</sup> This section is composed based on two addresses by the 8<sup>th</sup> UN Secretary General Ban Ki-moon. At Ambrosetti Forum on September 4, 2020 "World Outlook: COVID-19 & Climate Change" and at BKM Institute for Global Education at Handong University on October 12, 2020 "COVID-19; Its Implications for Global Security and Development"

and the inequalities it causes, we must build back better, as well as greener.

The pandemic has also worsened division between nations and within societies. The fear and uncertainty caused by the virus has led to a rise in racism, xenophobia, hate crimes, conspiracy theories, and disinformation. This has plagued diverse societies and hindered relations between different nations and people.

Second, the COVID-19 pandemic has highlighted the necessity of global leadership and multilateral responses. Unfortunately, at this critical time the world is lacking both. In fact, since the outbreak of the virus we have witnessed a major failure of global leadership in responding to COVID-19 and minimizing its spread. Many states have responded with a nationalist approaches, power politics has been the norm instead of multilateral cooperation. The US and China are engaged in a detrimental blame game instead of working together for the greater good of the world. The Trump adminisation has shown little capacity or willingness to provide global leadership. At the same time, the divided UN Security Council has been ineffective in addressing COVID-19 and its major implications for global security.

Third, many of the hard-won development gains over the past few years are now in danger of being lost. As a result of COVID-19 and its economic and societal impacts, we are witnessing troubling reversals on a multitude of SDGs targets. At the same time, the pandemic is exacerbating pre-COVID-19 era inequities in a variety of socio-economic spheres critical to achieving the SDGs. The World Food Program says that the number of acute food-insecure people could rise to 270 million before the end of the year as a result of the pandemic. And UNICEF warns that one third of the world's children are unable to access remote learning during school closures.

#### **RECOMMENDATIONS**

To resolve the current problems regarding the global pandemic and its implications on achieving the SDGs, the following recommendations are suggested.

(1) Aligning COVID-19 recoveries to the SDGs is incredibly important to overcome this crisis and create a better future for all. SDG 3, "ensure healthy lives and promote



well-being for all at all ages," serves as a preliminary roadmap to do so and there are 59 health-related SDGs indicators as [Figure 6] shows. All of the other SDGs give us a viable plan to achieve sustainable development and build back better, but what we now need is enhanced action. The stakes have never been higher. In order to meet the SDGs' noble aspiration for inclusion for all, cooperation, innovation, and engagement by all stakeholders in all regions is absolutely essential.

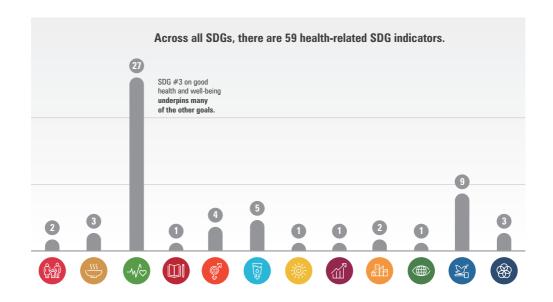


Figure 6 - Health related SDGs indicators (Source: WHO)

Global multi-stakeholder partnerships are needed to fulfill our development commitments under the SDGs despite the ongoing pandemic. Goal 17 of the 2030 Agenda highlights the prominent role that academic institutions, alongside governments, the private sector, civil society, the youth, and others, should play to help achieve the SDGs. It calls for "multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries."

- (2) In order to respond to the unprecedented situation and dangers the world now faces, we must strengthen multilateralism. Pandemics are inherently global issues. Like the worsening climate crisis, they require a strong multilateral response underpinned with global solidarity. Cooperation, partnerships, and global governance, including strong leadership of the UN and the WHO, are needed in our fight against COVID-19. All of these are additionally required to overcome the ongoing economic, societal, and peace and security aftershocks caused by COVID-19. Ultimately, all governments must prioritize multilateral cooperation over nationalism to both defeat this pandemic and be prepared for future crises and disruptions.
- (3) Governments need to improve their political commitment and public financing for health. It is essential to holistically integrate public health readiness, universal health coverage, and healthy societies in a three-pronged approach to build back better. Policy-makers must also scale-up investment in public health services to help avoid and combat future pandemics. Protecting and bettering the health of all people everywhere should not be left solely to the health sector. Rather, this should become an all-government, all hands-on-deck strategy led by heads of state. To persevere over this virus, governments need to implement sound health and economic policies, and while up-scaling public health spending and readiness. Governments must share best practices and lessons-learned with each other to advance knowledge capacity and cooperation. They should do more to instill greater public trust and develop innovative methods to communicate critical messaging to their citizens. They should work together to keep supply chains and borders open safely for the essential movement of goods and essential workers. Collaboration is needed for scientific and research development for a vaccine, and governments should refrain from vaccine nationalism when a safe, effective, and affordable vaccine becomes available.

The SDGs' vision for our shared future is to ensure that no one is left behind. And this vision has become more important in our interconnected world, as we all are facing the same challenge of overcoming COVID-19. Aligning COVID-19 recoveries to the SDGs is simply imperative to address the global crisis we face. The SDGs offer us a viable blueprint to build back better from the pandemic, lessen inequality, construct healthier societies, and combat climate change.





Figure 7 - Important elements to combat against the global pandemic

2. KEY MESSAGES

# Rebalancing among SDGs Stakeholders

The stakeholders regarded important in the SDGs activities include the public sector, the private sector, civil society organizations (CSO), and international organizations (IO). While all stakeholder groups inarguably agree on the goals, and the urgency of pursuing the SDGs, the impact of the roles played varies among the stakeholders.

In practice, the public sector commonly takes the initiative, given that SDGs strategies are formulated at the international and national level, and that the state is responsible for budgeting. However, their leadership in integrating the SDGs into national development planning is often lost as in many cases national budget allocation and development planning is focused on short-term economic efficiency rather than social and ecological sustainability.

The following two sections discuss the necessity of rebalancing the role of the public sector, and the private sector and civil society in the varying dimensions of the SDGs implementation as [Figure 8] describes. In the first section, we provide the findings regarding the current implementation of the SDGs targets, the key recommendations to amplify the impact of SDGs projects, and key actions that can be applied in practice.



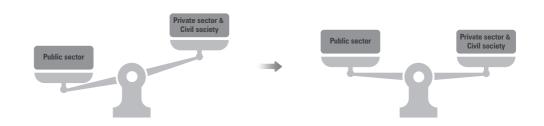


Figure 8 - Rebalancing among SDGs stakeholders

#### **FINDINGS**

While the SDGs are aimed to be a holistic and balanced approach for economic, social and ecological goals, the current national development paradigm still tends to highlight the economic efficacy as the key priority. Social and ecological gains mostly can be realized in the mid- or long-term time horizon, while the economic efficacy is based on short-term outcomes. Under the market economy paradigm, the private sector plays a dominant role in maximizing short-term economic GDP growth. The following reasons are extended from the alignment problem between the short and long-term perspectives in approaching the SDGs.

The public sector holds the ultimate power to set tax, standards, and allocate budget resources. However, in any democratic society, political leaders have a limited term of office, thus are obsessed with delivering short-term economic benefit for voters to prolong their stay in office. Unfortunately, most governments are operating under a short-term GDP paradigm and their first priority is maximizing short-term economic growth, not long-term climate sustainability or a robust public health system. There are significant advantages in engaging in projects suitable for long-term goals. However, the public sector becomes sensitive to issues related to political and social expectations. Managing such issues is prioritized in the public sector since they determine the legitimacy of state governance. To sustain legitimacy, it is inevitable for the public sector to fund or implement projects which derive tangible outcomes. Accordingly, other stakeholders voluntarily or inevitably comply to the state request, leading to the proliferation of short-

term oriented economic developmental projects.

For the private sector, the SDGs are seldom considered to be the primary corporate agenda under the current situation as they do not have much impact on building reputation and legitimacy. Since firms have to prioritize both profitability and survival in advancing their long-term goals, integrating the SDGs into corporate strategic plans has not been routinized and has been contingent. Also, several small-sized firms do not possess enough resources or knowledge to pursue the SDGs. Their vulnerability renders them limited to engage in SDGs participation only when they achieve economic success (Ortas et al. 2015; Synnestvedt and Schaltegger 2002). In this vein, an inconsistent stance of the public sector arises as a factor which aggravates the condition for private sector participation. As the public sector is approaching the SDGs without a uniform initiative using regulation, firms are not informed of the actual plans of the public sector in advance, and are faced with ex-ante regulations which eventually impede innovation.

For CSOs, they often show weakness in outreaching beyond their specialized area of interest, although specialization is efficient. The current SDGs-related activities need the participation of more people and contributions from more diverse backgrounds. Moreover, while the CSOs convince the general public of the need to pursue SDGs, the abstract and long-term oriented aspect of the SDGs leads the general public to perceive the SDGs as something "not related to us", as the benefits of the SDGs are not tangible to them. This is apparent in cases where CSOs have transformed into political groups by neglecting true enlightenment and grass-root movements and focusing only on political interests.

Second, there is no indicator that the stakeholders have unanimously agreed for evaluation of the SDGs project performances. Although some measurements are available in practice, they tend to be project-specific rather than being universally accepted (Hák et al. 2016; Koch and Krellenberg 2018). In the absence of common indicators, both the stakeholders and civil society are not able to effectively assess the impact of the other aspects of the SDGs — such as environmental and social. As there are relatively more verified tools to assess the economic impacts than the other aspects, both the stakeholders and the general public can assess the visible performance. In turn, all the stakeholders focus on short-term projects with higher certainty to avoid risk.



#### **RECOMMENDATIONS**

To resolve the current problems concerning SDGs project implementation, we advise the following recommendations.

- (1) The rebalancing of priorities is necessary to achieve the SDGs and their targets. We propose a rebalanced priority as one of the three classifications People, Prosperity and Planet. In this context, equitable redistribution of the role of all major stakeholders is necessary. While the public sector may have comparatively more power compared to the other stakeholders, the public sector should empower the other stakeholders, as well as provide enabling conditions for the other stakeholders to implement long-term social and ecological goals which are not related to short-term economic outcomes.
- (2) All the stakeholders should invest in adopting and systemizing relevant indicators which would be useful in measuring the possible or potential performance. A widely accepted indicator for evaluating SDGs projects is crucial to induce all the stakeholders to participate in a project aiming for People, Prosperity and Planet.

We propose possible plans to invigorate the diversification of the project goals.

Firstly, the public sector can build the socio-political infrastructure before empowering the other stakeholders so that the other stakeholders can actively engage in projects which do not consider economic aspects. As the economic recession continues, economic gain has been the priority for the public sector; thus, the public sector focuses on promoting economic performance while executing SDGs projects. Conversely, recent events such as the COVID-19 outbreak has offered the opportunity to promote the other efficacy of the SDGs as civil society has started to pay attention to public health issues. While the public sector still focuses on short-term economic targets due to political pressure, the public sector should, at least, start by convincing civil society of the appropriateness of non-economic priorities in collaboration with civil society stakeholders.

Secondly, diffusion of an Environmental, Social and Governance (ESG) index can be crucial in both quantifying and evaluating the possible cost and impact of projects which consider the non-economic aspect of the SDGs. ESG framework posits the three central

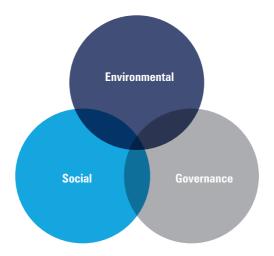
dimensions- environmental, social and governance to measure a firm's sustainability performance and the social influence (Henisz et al. 2019). An ESG Index is an indicator criteria which quantify the impact which was considered qualitative primarily. By creating the indicators, private firms can objectively evaluate both the status quo and the potential effects of corporate activities.

By systemizing the adoption of ESG indices and further developing the methodology, ESG will become prominent in the ex-ante and ex-post evaluation stage for the public and private sectors. As the adoption process matures, this will accelerate the diversification of project objectives as the high level of uncertainty decreases due to the quantification of 'formerly conceptual' factors – People, Planet and Prosperity.



#### **Case study: ESG Framework**

 An ESG framework posits the three central dimensions (environmental, social and governance) to measure the sustainability performance and the societal influence of a firm (Henisz et al. 2019). The Environmental pillar estimates the efficient usage of resources and the consequences for living beings; the Social pillar estimates the relationship with people, including minority groups, and institutions; the Governance pillar estimates the quality of governing methods, or systems, adopted for business operations.



#### [Criteria]

- Environmental: Efficient usage of resources and the consequences for living beings
  - CO2 emissions
  - Water usage
  - Waste control
- Social: Relationship with people (including minority groups) and institutions
  - Corporate social responsibility
- Governance: Governing method, or system, adopted for business operation
  - Shareholder rights
  - Transparency of decision making

2. KEY MESSAGES

2.4

# **Empowering & engaging stakeholders**

Goal 17 emphasizes the importance of partnership formation, which is essential in ensuring the operation of the SDGs. The discussion of partnership formation has developed into consensus-building that the empowerment and engagement should be the foundation of partnership structures among countries, as well as the domestic stakeholders within a country.

Empowerment is defined as the capability of individuals, groups or communities to have the authority to resolve the problems they are facing and achieve their objectives, and the process which will maximize the quality of lives (Adams 2008). In this context, most multilateral agreements do recognize the importance of empowerment and consider it as the basis of the decision-making process. For instance, the Fourth OECD-DAC High-Level Forum held in Busan, the Republic of Korea, agreed on the point on opening opportunities aimed towards other sectors for empowerment (Moloney 2020; Scheyvens et al. 2016), while the Paris Agreement endorses the co-participation of both the public and private sectors for the actions<sup>9</sup>.

<sup>9)</sup> While the term "empowerment" is not indicated in the agreement itself, Article 5 in the Paris Agreement implies the participation of other sectors along with the coordination of opportunities for the contribution of relevant sectors.



Engagement, on the other hand, is another building block which puts more emphasis on the responsibility aspect of the empowered actors in partnership formation (Greenwood 2007). As the authority is given to the actors who were primarily excluded from the decision-making process, the partnership will not operate properly when the actors are not sufficiently interested or not responsible for the results of their actions (Noland and Phillips 2010). Thus, engagement is necessary under the situation where the authority for decision making is empowered to the marginalized parties as it increases the possibility for production of a tangible outcome.

While the concept of "empowerment and engagement" is accepted in general, the partnership governance in practice has been questioned by relevant stakeholders of the SDGs. Especially, the expectations and the roles in the partnership formation appear to be hardly congruent, and can even be competing among the public sector, the private sector, civil society organizations (CSOs), and international organizations (IOs) in the current phase. Therefore, we attempt to review the SDGs-related environment and the status of the partnership governance and suggest recommendations and the possible key action plans which may accelerate and facilitate the process of partnership formation for the achievement of the SDGs.

For the analysis, we conduct a review of the relevant literature to precisely evaluate the status quo in the implementation of the SDGs. In addition, we interview top-level managers who represent each stakeholder group in the partnership governance to examine further the background context and operation mechanism of the partnership model in practice. The interview is conducted in an open-dialogue format, containing the following topics: (1) current status of the partnership structure, (2) the SDGs-related environment, and (3) suggestions on the more desirable form of partnership.

#### **FINDINGS**

Based on the analysis, we have identified the reasons why there is a substantial gap existing between the concept and practice of partnership governance in the current phase.

First of all, the bottom-up approach of the SDGs is not feasible under the current

decision making process. The bottom-up approach construes the necessity of problem-solving and goal achievement at the operational (local) level in the decision-making process (Sabatier 1986). While this approach is in alignment with empowerment, SDGs implementation is driven by the public sector in the planning and execution of the initiatives. State-driven SDGs implementation is being pushed as a form of national-level development plans. Due to the nature of the national-level development plans, the public sector tends to structure SDGs-related initiatives in a top-down manner by enacting pre-emptive regulations (Ren et al. 2018; Rodriguez Lopez et al. 2017) or controlling with subsidies (Kumar et al. 2019; Zhang et al. 2019), rather than providing opportunities for civil society and private sector to participate.

As state-driven SDGs implementation clearly specify dos and don'ts, as well as the desired goal, they are efficient in time and resource usage. However, the "top" often neglect communication with the "down" under the top-down approach, leading the "top" to impose on the "down" to attain irrelevant outcomes or actions.

The misalignment between the policies and the practices has caused atrophy in building the feedback channels. Insufficient communication among the SDGs stakeholders renders non-public stakeholders to be passive or involuntary in compliance with the SDGs-related policies. While a top-down approach has been a prevalent mechanism of the SDGs in the early stage of sustainable development actions or national industrialization, it leaves an issue of impediments in finding a practical solution in pursuit of the SDGs.

Second, the different contextual situations and, therefore, the expected roles of each SDGs participant tend to make the coordination more difficult, eventually bottlenecking the formation of effective partnership governance. The public sector may want to consider both short and long-term goals. Nevertheless, when political motivations appear in the decision-making process, the long-term goal is hardly pursued — as factors such as fixed-term positions and job rotations lower the consistency of the SDGs-related policies.

Relatedly, another problem is that relevant policies and initiatives are less subject to strict and unbiased evaluation due to political reasons. As a result, policies and initiatives are



sometimes inconsistent, which is often observed in developing countries where political stability is low. Under the situation, non-public stakeholders are not informed of the benefits and performances resulted from such regulatory measures, making SDGs issues distant from their priorities.

Third, women and young people are still being excluded from the decision-making process. While the empowerment of women and young people have been promoted ever since the Millennium Development Goals (MDGs), the voices of women and young people are still not considered in the decision-making process. While prior literature strongly recommends the inclusion of women and young people (Frank 2006; Scheyvens et al. 2016), the message of women and young people are considered only superficially by decision-makers.

#### **RECOMMENDATIONS**

To accelerate the optimization of the partnership model, we advise the following recommendations. Briefly, the SDGs stakeholders should focus on what they can do the best and distribute the tasks for the efficacy of the partnership network.

- (1) The stakeholders from the public sector should empower non-public stakeholders while taking strong initiatives in the SDGs leadership by clarifying the extent of nation-level contribution to the SDGs. The initiative can provide guidelines for the non-public stakeholders to engage in SDGs implementation. The guidelines in this context should focus on information about the general scope, orientation, and direction of the national-level contribution, differently from the regulations. Furthermore, the public sector should provide consistent legislative and regulatory supports to ensure empowerment for all members in society, and sufficient budget allocation for social and ecological SGD goals.
- (2) The stakeholders from the private sector should engage in designing and implementing strategies aligned to the SDGs. For the fulfilment of this task, stakeholders may seriously consider the adoption of a certain behavioral frames such as an ESG index.

(3) The stakeholders of the CSOs should take responsibility in promoting, monitoring and evaluating the relevant activities performed by the other sectors or individual stakeholders. While they are committed to such actions, CSOs should consider the feedback from professional groups, women and young people. Specifically, CSOs should guarantee the participation of professional groups related to the SDGs and apply the solutions provided by these groups for precise assessment of the progress. The solutions can be exemplified by various measurement tools which can assess both the short and long-term impact or technical assistance which can enhance the efficacy of investing in relevant SDGs goals. CSOs should also monitor and evaluate whether the voice of both women and young people are accounted for in the decision-making process of relevant goals. The inclusion of such voices is crucial as it fosters the partnership model to increase its impact on the broader audience.

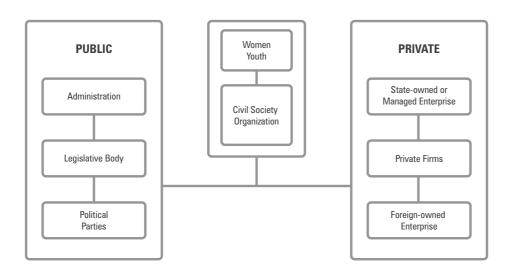


Figure 9 - Partnership Model for Consensus Building

We propose the **partnership model for consensus-building**, which would lead to the achievement of the SDGs. In practice, experts and SDGs participant groups suggest that more efforts should be made toward communication and coordination among the public sector, private sector, and CSOs. Thereby, the partnership model aims for coordination



and cooperation of the empowered actors for the effectiveness of decision making and SDGs implementation. The partnership model is illustrated in [Figure 9].

Step 1 - Consensus building within each stakeholder. Primarily, there must be consensus building within each sector. Since the definition and scope of the SDGs differ even in the same sector, these actors must derive a consensus regarding the ultimate goals. This may include actions such as coordination of objectives, examinations of the current status and degree of engagement in SDGs-related activities, analysis of costs and benefits.

For the public sector, relevant organizations, such as the government and the parliament, may identify the status of the SDGs in the local-level, then coordinate the objectives according to the priority, and build a consensus for a prospective framework which the empowered can put effort on achieving the SDGs. Keep in mind that the framework should be construed as a "platform" rather than a set of regulations.

For the private sector, firms may search for probable SDGs which fit their corporate goals and capacity. A firm may examine the current capacity to comply with the SDGs, and scrutinize the possible costs, benefits and external effects which firms will face.

For the CSOs, each organization may evaluate the current awareness or acceptance level of the SDGs by society in the field they are confident. Also, they may identify the prospective orientation of the SDGs, considering the interests among the societal actors. Furthermore, CSOs should collect feedback from the marginalized (women and young people) to ensure that marginalized voices are taken into account in the structuring of the partnership model. Notably, the CSOs have the duty to clarify the issues, short-term objectives and the long-term objectives which society has or will have to face in the implementation of SDGs-related projects.

**Step 2 – Consensus building between the stakeholders.** Next, consensus-building between the stakeholders should be undertaken to expect a coordinated action with impact. Since the objectives and orientations differ among the sectors, the actors must identify the current status and limitations, decide the priorities, negotiate the scope, distribute the roles and plan strategically what each sector must focus on.

Step 3 - Cementing partnership governance. Afterwards, the systemization of the governance structure should be achieved by each actor utilizing their competitive advantage. In this framework, the public sector should focus on facilitating the empowered sectors in achieving the SDGs, the private sector on reflecting the SDGs in their business strategy using performance indicators such as ESG to accelerate the diffusion of the SDGs among investors and consumers. CSOs should implement an evidence-based evaluation of the partnership governance and promotional initiatives for the general public to be aware and accept the value of the SDGs. Particularly, supplementary instruments such as contacts databases will propel the level of efficiency as they will reduce the peripheral costs, such as search and verification costs, in the operation of partnership governance. For instance, the Swedish government has structured a database of CSOs in which they can contact relevant CSOs for inquiries and feedback in the planning stage of SDGs implementation. Besides, IOs should provide information on the applicable cases, standards, and know-how to lower the entry barrier for the engagement.

Step 4 - Evaluating the partnership. Finally, monitoring and evaluation to enhance the efficacy of the partnership governance must be entailed to strengthen the empowerment and engagement of each sector. Using performance indicators either provided by the IOs or the existing ones such as the ESG index, the CSOs can check on whether the structured partnership model is heading towards what was initially intended for the achievement of the SDGs.





# Monitoring & reviewing SDGs implementation

Monitoring and reviewing SDGs implementation is a crucial step towards achieving the SDGs. However, since the launch of the SDGs, the work is not going well enough. The lack of sound data and metrics across different countries are major obstacles for regular and effective SDGs follow-up.

The problem is also partially due to fundamental limitations of the voluntary national reviews (VNRs), which are part of the follow-up and review of the 2030 Agenda for Sustainable Development. As stated in paragraph 84 of the 2030 Agenda, regular reviews in the High-level Political Forum on Sustainable Development (HLPF) are to be voluntary, state-led, undertaken by both developed and developing countries, and provide a platform for partnerships, including through the participation of major groups and other relevant stakeholders.<sup>10)</sup>

The VNRs arguably are the only means to investigate formally the implementation of SDGs by UN member states. In order for the HLPF to function as the central platform and effective place to follow-up and review the SDGs and to address the global sustainable development governance deficit, qualitative and quantitative development of

<sup>10)</sup> Transforming our World: The 2030 Agenda for Sustainable Development, GA resolution 70/1. See also GA resolution 67/290, para 8, for more on the reviews and the mandate of the HLPF.

the VNRs is very important. Although the data collection and statistical analysis on the SDGs have been active in the past years since the launch of the SDGs, there is a lack of studies on the analyses of the VNRs. Therefore, this section aims to look at the problems of the current VNRs to suggest what points should be improved for the development of monitoring and reviewing SDGs implementation.

#### **FINDINGS**

First, there is a lack of effort to synthesize the existing approaches by relevant international organizations and research institutions to measure well-being and SDGs implementation. For instance, the Organisation for Economic Co-operation and Development (OECD) has been involved in the debate on measuring the well-being of people and societies. Based on the assumption that there is more to life than several economic statistics such as gross domestic product (GDP), the OECD Better Life Index is designed to let the users compare well-being across OECD countries while not assigning rankings of those countries. The eleven topics of the index reflect what the OECD has identified as essential to well-being: (1) material living conditions - housing, income, jobs; and (2) quality of life - community, education, environment, governance, health, life satisfaction, safety and work-life balance. Meanwhile, the annual Sustainable Development Report published by the Sustainable Development Solutions Network (SDSN) and the Bertelsmann Stiftung presents the SDGs Index and Dashboards for all UN member states, yet the report may not fully capture possible synergy and trade-off relationships between the goals and targets.

Second, as mentioned earlier, there is a lack of work to analyze the synergy and tradeoff relationships between the goals and targets. Since the SDGs are the outcome of political compromise and inclusive engagement in the process of formation, the scope of the 17 goals and 169 targets across the economic, social and environmental sectors is very wide. Some of these goals are inherently conflicting and bound to act as potential conflict factors in the conceptual framework of sustainable development. Accordingly, it is important to analyze the synergy and trade-off relationships between each goal.



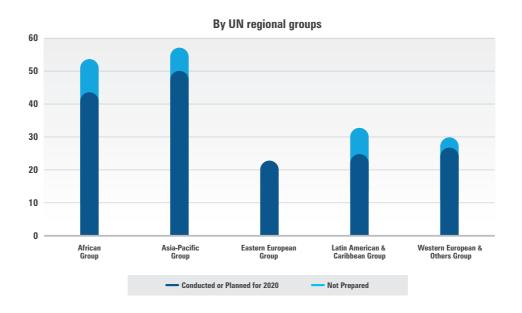
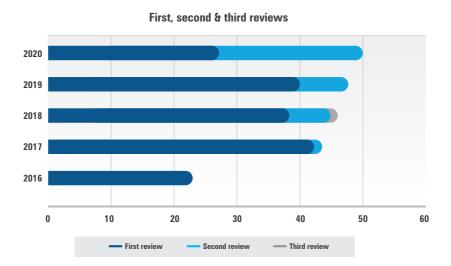


Figure 10 - Global Status of VNRs

Third, from 2016 to 2019, 142 countries have conducted their VNRs at the HLPF under the auspices of the UN Economic and Social Council (ECOSOC). Some member states have executed their second and third VNRs, resulting in 158 VNRs reports thus far (22 reports in 2016; 43 reports in 2017; 46 reports in 2018; and 47 reports in 2019) as [Figure 11] represents.



**Figure 11** - Countries presenting multiple VNRs reports: Azerbaijan, Benin, Chile, Colombia, Egypt, Guatemala, Indonesia, Mexico, Philippines, Sierra Leone, Switzerland, Togo, Turkey

The UN Secretary-General provides guidance to Member States in terms of the structure and form of VNRs reports. The Voluntary Common Reporting Guidelines set out suggested contents and structure for VNRs reports. In addition to these guidelines, the UN Department of Economic and Social Affairs (DESA) has created a Handbook for the Preparation of Voluntary National Reviews, updated every year to provide additional guidance to governments. Despite the guidelines, one of the most noticeable points of the VNRs reports accumulated from 2016 to 2019 is that the format and content of those reports vary hugely. Moreover, there are reports that are relatively lacking in completeness and that do not follow the format specified by UN DESA.

Fourth, while most VNRs reports mainly utilize quantitative data, there is an absence of qualitative data analysis and detailed case studies of the national SDGs implementation to fill the gaps between the quantifiable SDGs indicators and the non-quantifiable social reality. The dominance of quantitative indicators may be partially due to: (1) little clarity in existing guidelines about how qualitative analysis can support country reporting on the



SDGs; and (2) the existence of specific targets on statistical capacities for SDG17.

#### RECOMMENDATIONS

Here are recommendations that we advise to efficiently monitor and review of SDGs implementation.

- (1) Considering the different kinds of existing approaches to measure well-being and SDGs implementation, in line with the VNRs, it is necessary to launch a global initiative to not only systematically monitor and review SDGs implementation but also investigate social and ecological sustainability from a different angle and break way from short-term economic progress.
- (2) While reinforcing the existing global governance systems for sustainable development including the HLPF, there should be a standard requirement for all UN member states to integrate SDGs into their national budgetary processes and to follow the Voluntary Common Reporting Guidelines in their VNRs based on the budgeting processes in reviewing progress towards the SDGs.
- (3) The current VNRs guidelines should be revised by the UN DESA and the General Assembly to clearly outline the monitoring measures and review processes for exploring the synergy and trade-off relationships between the goals and targets at a national level. The UN Evaluation Group could also help develop this, just as the Inter Agency and Expert Group on SDGs Indicators did for the indicators.
- (4) VNRs should complement the focus on quantitative indicators with more qualitative methodologies. This is an opportunity to include different data sources and tools for analyzing and reporting progress by developing mixed methods to follow-up and review national SDGs implementation integrating quantitative and qualitative data collection and analysis to improve the quality of VNRs.
- (5) The "review of reviews" could be done by strengthening expert and scholarly engagement in the process of SDGs monitoring and evaluation. This process should engage and be informed by the Committee of Experts on Public Administration (CEPA)

and a possible ad-hoc committee such as an Independent Scientific Working Group (ISWG).

For more specific action plans, we suggest the following points to consider. First, establishing an ISWG which would be composed of 17 leading experts and scholars on each SDGs appointed by the UN Secretary-General for scientific assessment of each year's VNRs reports for the sake of "review of reviews". Second, putting the CEPA and ISWG's VNRs analyses and recommendations in the annual VNRs Synthesis Report published by the UN DESA as a stand-alone chapter. Last, including a new category of "Conducting regular and inclusive reviews of progress at the national and sub-national levels, which are country-led and country-driven" in the UN Public Service Awards (UNPSA) from the nominations for 2021.



2. KEY MESSAGES

## **Sharing experiences**

A paradigm shift towards a new SDGs framework is inevitable in the post COVID-19 world. This paradigm shift should be built on strengthened global solidarity and multilateralism. While our economy and lives are highly globalized, multilateralism and global solidarity need to be further strengthened. Humans have achieved eye-opening economic development since the Industrial Revolution, yet this economic prosperity has been maintained at the expense of people and the planet. While some developed countries have made a progress on economic development without increasing pressure on the environment, including greenhouse gas emissions, many developing countries have been following the outdated economic development pathways of advanced economies and experiencing similar social and environmental challenges. As [Figure 12] shows, unlike developing countries focusing on short-term economic values without thinking of environmental protection, countries like Germany, the United Kingdom, and France have started to decouple emissions from income growth. The chart indicates percent change in emissions for a 1 percent change in output.<sup>11)</sup> Thus, it shows clear contrast between developed and developing countries on their development stage. Still developing countries are experiencing social and environmental pressure during their economic development as majority of developed nations experienced more than a century ago. Trial and error to adjust their economic development pathways towards

<sup>11)</sup> Cohen, Gail; Jalles, Joao Tovar; Loungani, Prakash; Marto, Ricardo (2018). The Long-Run Decoupling of Emissions and Output: Evidence from the Largest Emitters. IMF working paper 18/56. https://www.imf.org/en/Publications/WP/Issues/2018/03/13/The-Long-Run-Decoupling-of-Emissions-and-Output-Evidence-from-the-Largest-Emitters-45688

a more sustainable way can be easier with help from developed nations who can share best practices.

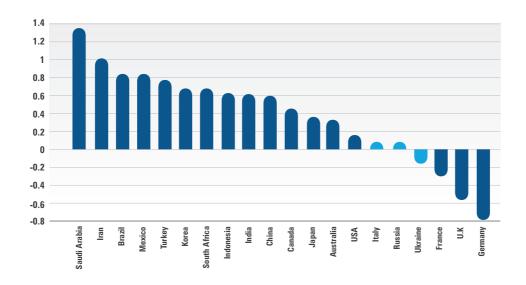


Figure 12 - Green and growing (Cohen et al. IMF working paper 18/56, 2018)

#### **FINDINGS**

Weakened global solidarity and sharing experiences among countries made many developing countries make the same mistakes that developed countries have gone through during their economic development stage. The role of international organizations has declined and cooperation among nation states has become difficult. This phenomena can be observed through the recent responses to the global pandemic COVID-19. Since the COVID-19 crisis, many countries around the world heightened their external barriers and tried to solve the problem internally. Although direct interaction between people has been restricted due to the pandemic, concerted action to cope the crisis is essential for the global community. However, things are moving backwards with the recent decline of multilateralism due to conflicts among powerful countries including the US-China trade war, the US withdrawal from the Paris Agreement and the WHO etc., hinder common action and cooperation of global society. The role of multilateralism



needs to be realigned. In order not to repeat the same mistakes, we need to be ready for the recurrence of this global pandemic in the near future through sharing a new holistic SDGs program among stakeholders. Resilience can only be built when society has trust in each other. Countries which effectively contained the virus tend to have higher trust levels among citizens and in their governments. And this is true at the global level as international cooperation has successfully managed dreadful pathogens in the past.

#### **RECOMMENDATIONS**

To be prepared for a better future, as well as to share best practices between developed and developing countries, we advise the following recommendations.

(1) We recommend to devise global platforms for sharing experiences and lessons learned by encouraging participation of various stakeholders.



Figure 13 - Collaboration among various types and levels of stakeholders

The platforms can facilitate sharing knowledge among stakeholders in the public sector, private sector, and civil society. Also, they play a role to fill the gap from the limitation of the conventional players such as government and international organizations and so on. For example, as [Figure 13] shows platforms can mobilize new groups of stakeholders such as eminent figures all around the world and technical experts. Eminent groups with insights need to provide messages to the international community to accelerate their efforts on achieving the SDGs. The expert groups, the private sector and civil society that have financial, technical and knowledge resources should actively cooperate with the public sector to put their resources in SDGs-related sectors and projects. The platform can take a role to channel the cooperation among different levels of stakeholders.

In the case of the COVID-19 pandemic, while countries took different actions and policies to respond to the crisis, the best practices are not well-compiled and shared among countries due to the lack of an effective communication channel. A platform can play such a role by sharing experience of COVID-19 responses. This will eventually strengthen multilateralism and enhance mutual trust among countries and stakeholders. The Republic of Korea is well-known for its advanced ICT technology and infrastructure, thus using various ICT-based tools it has been able to successfully trace, test, and treat COVID-19 patients. The best practices which the Republic of Korea exercises can be compiled and shared effectively with some countries having similar ICT infrastructure and conditions.

In general, longer reviews include more statistical data. The scope of the platforms can be expanded to encourage countries to achieve the SDGs in the long run. The 17 SDGs are interconnected with each other, and the current global crisis stemmed from ecological and social sustainability related to SDG 13 Climate action, SDG 14 Life below water and SDG 15 Life on land. The platform would play important roles by formalizing data and information sharing among countries and help foster science-based decision making. Eventually, the global platform can strengthen global cooperation and global solidarity.

(2) We need to depoliticize global crises among nations through strengthening the role of multilateralism.



Cooperation among countries seems more difficult under the situation of a global crisis. For example, the US-China conflict over the last few years became even worse when in responding to COVID-19 the US blamed China for being responsible for the global spread of the coronavirus. There have been voices of concern about a new Cold War since COVID-19 gave way to open hostility between the two super powers. Consequently, international agreements or commitments under multilateralism became mere scraps of paper. In order to depoliticize global crises, such as COVID-19, the global health governance system needs to be strengthened through multilateralism.

The limitations of the World Health Organization (WHO) in responding to COVID-19 was caused by the mismatch of the organization's primary role as a functional entity rather than a leading body. As [Figure 14] describes, a standing committee for Pandemic crises can be set up with a leading role of the UN Secretary General who holds convening power, with assistance from the WHO Director General. Several UN bodies such as the UNDP, UNEP, WEP, UNICEF, and UNESCO should participate in the committee along with other multilateral agencies including the World Bank and the International Monetary Fund (IMF) and regional organizations such as the African Union and the European Union to mobilize common action to tackle future global crises. For example, when Ebola outbreaks occurred in Africa in 2014, the UN Security Council dispatched a mission for the first time as the disease threated international peace and security. <sup>12)</sup> Institutionalizing more assertive actions by the UN Security Council for the global crisis is required.

<sup>12)</sup> https://www.newsweek.com/ban-ki-moon-global-leadership-coronavirus-1507882



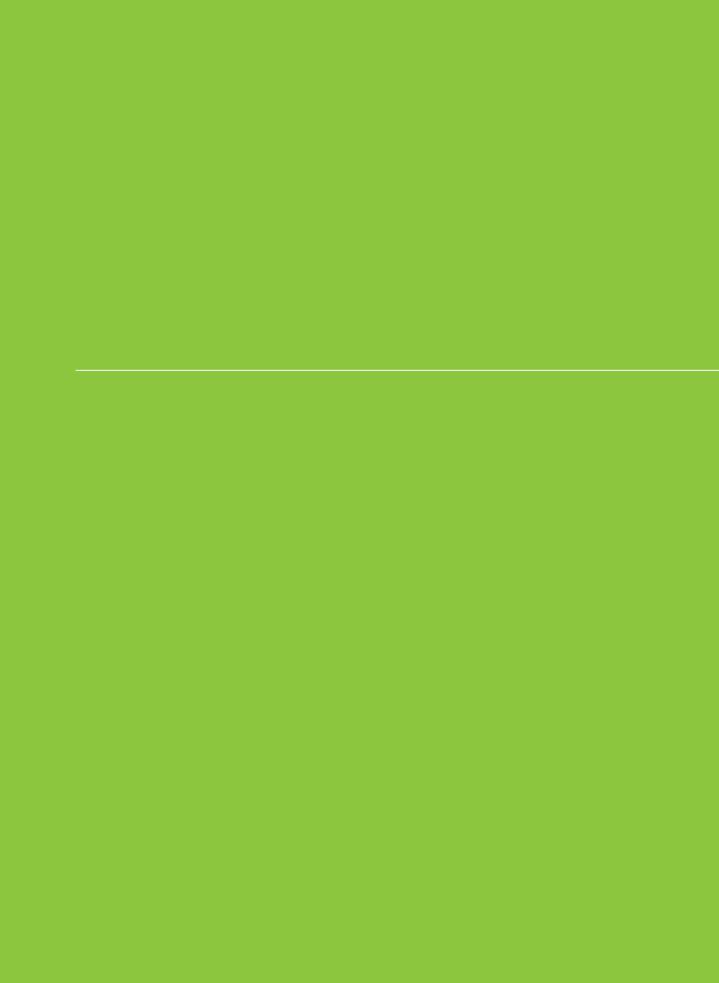
Figure 14 - Standing Committee for Pandemic Crises

(3) An efficient resource allocation in a post-COVID-19 world needs to be prepared to strengthen global governance.

Governments and international organizations need to cooperate in preparation for a plan for resource reallocation in a post COVID-19 world. When filling the resource vacuum created by the COVID-19 response, countries and international organizations should set the direction of the reallocation of resources towards a long-term perspective. The allocation should focus not on short-term economic development but on considering SDGs-related sectors. The world is expected to spend \$2 trillion to \$4.1 trillion - 2.3% to 4.8% of the global gross domestic product (GDP) to combat COVID-19 according to the Asian Development Bank (ADB). However, we have not reached our commitment of \$100 billion for the climate fund declared in the 2015 Paris Agreement. If we could use just one tenth of the COVID-19 efforts and resources to address climate change, we will be able to promise a much better world to the future generations. There should be a coordinated approach in resource allocation for post COVID-19. Since a huge part of existing resources and finance are concentrated on COVID-19 response, the world is facing difficulties in meeting existing demand in many areas including the health (not relating to COVID-19) and education sectors. This will eventually lead to more casualties



among those who have been suffering from underlying diseases as essential medical supplies are low in stock in most of countries. Especially, developing countries lacking financial resources and human capacity are expected to have difficulties in resource allocations. In order not to make countries use excessive resources for short-term economic development, it is important to share experiences and lessons learned from economic development pathways of developed countries with developing countries.



# 3 The way forward

## The way forward

The implementation of the SDGs over the last 5 years has not met our expectations. The 17 SDGs should be achieved in a balanced manner from multi-dimensional perspectives as [Figure 15] demonstrates. To that end, it is required to redefine the three primary concepts of SDGs: three pillars of the SDGs- economic, environmental, and societal development; actors involved in the SDGs framework; and time preferences prioritizing either short-term or long-term incentives. This paper will be concluded with the findings of the last 5 years of SDGs implementation, expectations for the next decade, as well as suggestions for each participant of the SDGs.

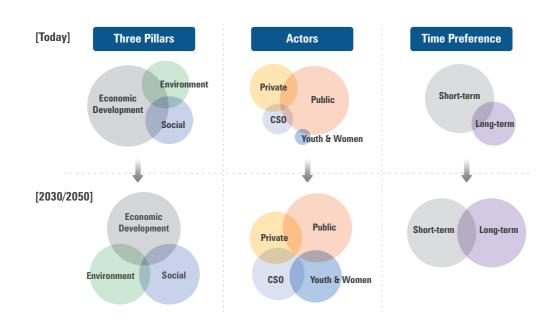


Figure 15 - Rebalancing the three pillars, actors, and time preference of SDGs



To begin with, let us discuss the findings over the past 5 years of implementing SDGs and the points that need improvement. First, the current emphasis on economic prosperity disregarding environmental or social compatibility should be realigned. Without taking synergies and trade-offs into account, we tend to solely focus on cost efficiency and short-term economic gains. However, without a time-series analysis on the quantified trade-offs and synergies of the SDGs, there are no proper monitoring or reviewing mechanisms with which the global society can precisely diagnose the status quo. Second, as voices are growing among the private sector and civil society, particularly the young and women, the SDGs participants should be rebalanced in the way that it is no longer public sector-dominant. In fact, there has been a substantial theory-practice gap, which has made the bottom-up approach nearly infeasible. In addition, different contextual situations of the participants have impeded the coordination and effective partnership. Consequently, young people and women have been marginalized in the decision-making process. Third, the sole pursuit of short-term economic gains should be adjusted as it results in the misallocation of resources. In other words, using up the majority of resources in the sectors that promise instant rewards through economic development can bring negative consequences. The root causes of the current COVID-19 crisis are the conventional growth paradigm and inappropriate resource allocation. Political decisions based on short-term gains eventually weakens political will and ownership of countries around the world in achieving SDGs. Furthermore, the decline of multilateralism and international cooperation and the subsequent absence of sharing success stories of developed countries interfere with SDGs implementation and achievement. In short, all these can be addressed through long-term considerations.

Reflecting the status quo, how can we fulfill the promise made in 2015 of achieving 17 SDGs? Here are the suggestions for each stakeholder.

First, the public sector should take initiative and establish a long-term vision for a paradigm shift. There are several ways to take concrete actions. For example, each country can reflect SDGs on the national development plans or strategies to turn SDGs into the mainstream policy agenda. Establishing a governmental organization dedicated to SDGs implementation would mean managing the monitoring and reviewing process of SDGs more effectively. Since many countries do not have such organizations, the format and content of Voluntary National Reviews (VNRs) reports vary considerably

in spite of the guidelines by the United Nations Department of Economic and Social Affairs (UN DESA). Such designated entities can produce high-quality analysis of SDGs implementation in both quantitative and qualitative terms. Furthermore, the existing VNRs guidelines by UN DESA need to be amended, thus the guidelines should outline the monitoring measures and review processes for exploring the synergy and trade-off relationship between the goals and targets at a national level. Another role of the public sector should be empowering non-public participants while taking the lead in SDGs implementation. To that end, it should first clear up to what extent the nation would contribute to achieving SDGs and provide specific guidelines for non-public participants to follow.

Second, the private sector should actively engage in designing and implementing strategies well aligned with the SDGs. Adoption of an ESG index that measures the sustainability performance and the societal influence of a firm (Henisz et al. 2019) can help companies to actively consider ESG factors in their decision-making process. The diffusion of an ESG index is crucial to quantify and estimate the cost and impact of projects that focus on long-term effects and non-economic aspects of the SDGs.

Last, civil society should promote social consensus, monitor, and evaluate relevant activities by other sectors in the process of SDGs implementation. Feedback from professionals, women, and the young is particularly critical as it precisely assesses the progress and provides new solutions for decision-makers to commit to implementation. An international review process of the SDGs implementation, including experts' and scholarly engagement, would enable a "review of reviews" as mentioned in the previous section. Enhancing public awareness of the SDGs among citizens would cultivate strong leadership committed to the value of SDGs, thereby redesigning our future based on long-term considerations with the focus of "People, Prosperity and Planet".



#### **Redesign our future**

The UN SDGs: 5 years and the next 10 years

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