



THE INTEGRATED NATURE OF THE SUSTAINABLE DEVELOPMENT GOALS AS A LEVER FOR TRUST, INSTITUTIONAL RESILIENCE AND INNOVATION

1. INTRODUCTION

The capacity of Governments to deliver on the Sustainable Development Goals (SDGs) has been tested in all countries. The *Global Sustainable Development Report 2023* underlined that the uneven and slow progress on the SDGs since 2016 was further undermined by the negative impact of the COVID-19 pandemic and recent crises.¹ The *Sustainable Development Goals Report 2024* has confirmed that countries are severely off track to achieve the SDGs.² Progress on a number of SDG targets has stalled or suffered a reversal. Most targets are not on track to be achieved by 2030, and progress does not seem fast enough for the few targets that are closer to being met. Recent crises have also made it difficult to mobilize the resources and institutional elements needed for the implementation of the SDGs.

As highlighted at the 2023 SDG Summit, transformative actions are needed to unlock progress across the SDGs. This requires prioritizing actions that are particularly synergistic and offer entry points for transformation, leveraging interlinkages, and managing trade-offs across Goals and targets. Integrated, multi-sectoral and multi-stakeholder responses are fundamental for addressing the complexity and normative conflicts deriving from the interdependent nature of the SDGs and responding to urgent and competing citizens' concerns in an uncertain context characterized by accountability challenges and scarce resources. They are also critical to accelerate the transformations needed to achieve the SDGs in an inclusive way that builds trust in public institutions.

This policy brief explores how Governments can assess competing policy priorities, manage trade-offs and enhance synergies to accelerate the implementation of the 2030 Agenda, drawing from expert contributions to Chapter 2 of the World Public Sector Report 2023: Transforming institutions to achieve the Sustainable Development Goals after the pandemic.³ Renewed efforts in enhancing policy coherence

1 Independent Group of Scientists appointed by the Secretary-General, <u>Times of</u> crisis, times of change. Science for accelerating transformations to sustainable development – Global Sustainable Development Report 2023.

- 2 United Nations, Department of Economic and Social Affairs (UN DESA), <u>The</u> Sustainable Development Goals Report 2024.
- 3 United Nations, Department of Economic and Social Affairs (UN DESA), Transforming institutions to achieve the Sustainable Development Goals after the pandemic - World Public Sector Report 2023.

Key Messages

- » Building legitimacy and consensus around policy choices can promote a virtuous circle of trust, adherence, and effectiveness. Sustainable Development Goals (SDGs) priorities and the evidencebased rationale for prioritization in specific contexts should be openly and transparently communicated, and trade-offs with other policy objectives addressed in an equitable and transparent manner.
- » Analytical tools can support systemic decision-making related to the SDGs, but to be more broadly used, they need to be designed to respond to policymakers' needs. This requires actionable advice, alignment between tools and demand, capacity-building, and sharing how tools are used in practice.
- » Budget information helps weigh policy choices around the SDGs and enhance the efficiency of public spending. Existing methodologies to link budgets with development outcomes support an integrated implementation of the SDGs by facilitating internal review by governments, enabling prospective analysis, and facilitating monitoring by stakeholders.
- » The SDG follow-up and review system, including the Voluntary National Reviews (VNRs), provide an institutional space for advancing knowledge-sharing on national processes for managing synergies and trade-offs in SDG implementation and on countries' experiences with the principles of indivisibility and integration.

are required to leverage synergies at different levels and unleash the transformations needed to achieve the SDGs. However, public entities face challenges in identifying and leveraging SDG interdependencies and translating relevant plans into action. The brief highlights actionable ways to support integration and address existing barriers to unlock SDG progress in a way that contributes to building trust, enhancing resilience and advancing innovation.

2. INTEGRATED SDG IMPLEMENTATION, RESILIENCE, TRUST AND INNOVATION

The pandemic and its aftermath evidenced the importance of enhancing the resilience of public institutions, increasing trust in Governments, and accelerating the implementation

Author: Aránzazu Guillán Montero, Division for Public Institutions and Digital Government, UN DESA. This policy brief is based on Chapter 2 of the *Word Public Sector Report 2023*, which includes contributions from external experts who are gratefully acknowledged. Readers are invited to consult the report for additional details, references and examples.

of the SDGs. Systemic and synergistic actions, which place the integrated nature of the 2030 Agenda at the center, can unlock progress on the SDGs while contributing to enhanced resilience and trust. Policy solutions that address complexity and overlapping and concurrent challenges through integrated approaches, incorporating different perspectives, contribute to robust, resilient and more effective and legitimate governmental actions and processes (see Figure 1).

Enhancing resilience through systemic evidence-based approaches

Overall, synergies across the SDGs prevail over tradeoffs.⁴ These synergies can be leveraged by acting through entry points for SDG acceleration and deeper societal transformation in the second half of the implementation of the 2030 Agenda.

The identification of policy priorities in a particular national context (for example, poverty reduction and education, or decarbonization and inequality) makes it easier to address interlinkages and trade-offs in decision-making and advance systemic actions. The six-entry-point framework presented in the *Global Sustainable Development Report 2019 and 2023*⁵ can help countries identify key transformations and related capacities for transformative action. There is some evidence from Germany, India and the Netherlands on using these entry points to institutionalize systemic action (e.g., by setting up cross-sectoral task teams for each entry point in Germany).

In pursuing identified priorities, Governments can focus on identifying the main synergies and trade-offs related to those priorities and determining how synergies can be harnessed to deliver broader outcomes while ensuring that trade-offs are managed so that progress in other areas is not undermined. This reduces the complexity of the SDGs and provides a simpler and more integrated framework for advancing the 2030 Agenda.

Moreover, those systemic entry points can be used to assess policy measures for SDG implementation accounting for synergies that enhance the cost-effectiveness of policies and public investments and identifying the barriers that undermine policy coherence and exacerbate trade-offs among policy objectives. Computational models can support such efforts, as they have expanded the capacity to inquire into the analysis of policy priorities and the impact of budget allocations.⁶

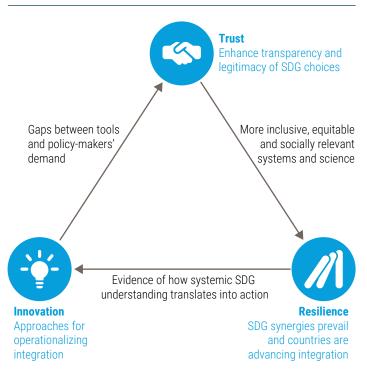
Increasing trust by building consensus on SDG policy choices

There is a need to build legitimacy and consensus around SDG policy choices to promote a virtuous circle of trust, policy adherence and effectiveness. Prioritization is inevitable during SDG implementation, as countries have limited

- 5 Independent Group of Scientists appointed by the Secretary-General, <u>Global</u> <u>Sustainable Development Report 2023;</u> Global Sustainable Development <u>Report</u> 2019 - The Future Is Now. Science for Achieving Sustainable Development.
- 6 Omar A. Guerrero and Gonzalo Castañeda "Government expenditure and sustainable development prioritization" in UN DESA World Public Sector Report 2023.

Figure 1

Integrated SDG implementation, resilience, trust and innovation



resources and different development needs. Selecting SDG policy priorities according to each country's challenges and development needs, while simultaneously considering the integrated nature of the 2030 Agenda, can enhance the effectiveness of implementation and advance overall progress. In this way, priority-setting can facilitate the identification of innovative mechanisms to support progress towards specific development outcomes as well as multiple synergistic Goals.⁷ Moreover, a body of evidence and analysis that identifies context-specific interlinkages among the SDGs as well as global interdependencies can help build consensus on policy choices and increase trust in scientific evidence.

Consensus, shared values and principles, and a common understanding of the nature of the problems are critical for identifying the relevant evidence and potential choices, facilitating collaboration, and building legitimacy around policy solutions.⁸ This requires addressing SDG trade-offs in an equitable and transparent manner, and transparently communicating SDG priorities and their evidence-based rationale.

Moreover, building consensus on SDG policy choices requires engaging multiple voices, and proactively considering the rights of future generations in SDG policymaking.⁹

⁴ Independent Group of Scientists appointed by the Secretary-General, <u>Global</u> Sustainable Development Report 2023.

⁷ Edward B. Barbier and Joanne C. Burgess, "The Sustainable Development Goals and the systems approach to sustainability", Economics, vol. 11, No. 1 (December 2017), available at https://doi.org/10.5018/economics-ejournal.ja.2017-28.

⁸ Ole F. Norheim "Building legitimacy for difficult policy choices and trade-offs through open, transparent and inclusive government" in UN DESA, *World Public Sector Report 2023.*

⁹ Catarina Z. Tully "Operationalizing strategic foresight to better support Governments in managing sustainable development goal trade-offs and synergies in the post-COVID context" in UN DESA, *World Public Sector Report 2023.*

In this regard, networks can facilitate cooperation, enable collaboration and create space for dialogue by connecting actors and knowledge, while also supporting the legitimization of policies and programs.¹⁰

Innovation for advancing integrated SDG action

Resilient institutions in times of crisis can spur innovation and efforts to increase synergies between competing policy priorities. The policy alternatives around COVID-19 (for example, in terms of health versus economic stability) highlighted the inherent tensions between health and socioeconomic rights in many countries. Nonetheless, the resilience of institutions in managing these conflicts helped unleash innovation to address inequalities and progress on the SDGs. For example, in Sri Lanka,¹¹ in a context of severe economic crisis and pre-existing development challenges, efforts by the Government and various development partners to enhance synergies between equality and economic growth have led to improved social protection mechanisms. These efforts built on an assessment of synergies and tradeoffs in the country that helped identify policy solutions aimed at improving the delivery of public services and building a more resilient society. Further details on the case of Sri Lanka are available in Chapter 2 of the World Public Sector Report 2023.

3. OPEN DELIBERATIVE PROCESSES

Conflict and trade-offs surrounding the SDGs are unavoidable. One way to secure legitimacy for the outcomes of difficult trade-offs (how prioritizing certain development objectives affects progress on other Goals or targets and the implications for addressing inequalities) is through open, transparent, and inclusive decision-making. Dialogue can help identify innovative ways to better manage trade-offs, for example, to ensure just transitions that support both environmental and economic objectives. Governments should adopt operational criteria - including transparency, accuracy, public reason-giving, public participation, inclusiveness, revisability and enforcement - to enhance the legitimacy of SDG policy choices.¹²

Policy decisions are better targeted and more effective if they are informed by accurate descriptions of the circumstances and evidence of what works. Communicating clear rationales and uncertainty and making evidence publicly accessible prevent disinformation. Open and truly inclusive decisionmaking can build trust and legitimacy. This improves adherence to policies, making them more effective. Greater effectiveness engenders trust in policymakers. Open decision-making can therefore contribute to a virtuous cycle of increasing trust, adherence, and policy effectiveness. In other cases, a fair process may at least prevent the erosion of trust.

- 10 Carlos E. Lustosa da Costa, Isabela M. Lisboa Blumm and Simran Dhingra "The role of transnational networks and professional exchanges in supporting an integrated implementation of the SDGs" in UN DESA, World Public Sector Report 2023.
- 11 Karin Fernando and Thilini De Alwis "Building synergies for equality and economic recovery: Innovation in social protection systems in Sri Lanka", in UN DESA, World Public Sector Report 2023.
- 12 This section is based on Ole F. Norheim "Building legitimacy for difficult policy choices and trade-offs through open, transparent and inclusive government" in UN DESA, World Public Sector Report 2023.

Open, transparent and inclusive decision-making must be institutionalized. Governments can establish inclusive deliberative bodies (such as citizens' juries, permanent citizens' panels, biotechnology advisory boards and advisory councils) and systematic hearings with key stakeholders. Outside government, self-selective public participation mechanisms (such as townhalls and crowdsourcing) should be encouraged.

Moreover, processes that enable collaboration and productive exchanges between policymakers and the scientific community can help enhance the legitimacy and effectiveness of policy decisions.¹³ Governments also need to tap into new sources of knowledge (including Indigenous Peoples, local communities, civil society and youth) to inform decision-making on SDG implementation.

There are also barriers or costs linked to implementing open, deliberative processes, which must be considered and weighed against the benefits. There can be a tradeoff between efficiency in decision-making and inclusive governance, which takes time and can be costly to enable equal participation and non-discrimination. The use of online channels may reduce costs, although it is hard to find evidence about improving impact and voice.

Box 1

Examples of country practices related to the integrated nature of the SDGs

Budgetary linkages

Colombia has developed methodologies to monitor budget allocations and execution for cross-cutting issues (gender, peacebuilding, integration of ethnic minorities) and on the SDGs. Horizontal coordination has been key to gathering information from different public entities. The creation of an Intersectoral Commission on Public Financial Management has helped prevent duplication and enhanced the interoperability of data. Ongoing communication with the entities involved and the training of public officials have been critical. Annual reporting to Congress has provided the incentive for public officials to gather the required information. A similar exercise has been done at the local level in the Capital District of Bogotá.

Coordination

Argentina, Botswana, the United Arab Emirates, El Salvador, Djibouti, Luxembourg, Equatorial Guinea, Ghana, Jamaica and the Philippines have established interministerial structures or mechanisms to mobilize the various parts of the Government around the SDGs, facilitate work across multiple policy areas, and advance whole-of-government approaches.

Open deliberation

Ireland, **Thailand** and the **UK** illustrate various systems and mechanisms to facilitate public reasoning. The Irish Constitutional Convention and Citizens' Assembly has engaged people and transformed public discussions and decisions on same-sex marriage and abortion rights through open and inclusive processes. In the United Kingdom, the Citizens Council provides a space to share ideas and advice on difficult priority-setting decisions. In Thailand, the National Health Assembly (NHA) brings in laypeople to hear and assess evidence and voice their own needs, experiences and concerns.

Source: UN DESA, World Public Sector Report 2023, chap. 2.

13 Franklin Carrero-Martínez, Cherry Murray, E. William Colglazier and Emi Kameyama: Strengthening the science-policy interface in order to operationalize sustainable development" in UN DESA, World Public Sector Report 2023.

4. PUBLIC SPENDING AND INTEGRATED FINANCING

Improving the efficiency of public spending would help strengthen progress on the SDGs while reducing the need for additional spending.¹⁴ Policy alternatives for expanding the fiscal space—including increased revenue mobilization, narrowing the gaps between budget allocations and actual spending, improved fiscal transparency in revenue generation and budget execution, and new approaches to debt management—can be used to sustainably finance spending on synergistic SDGs.

It is critical to identify the impact of additional public spending on SDG performance as well as areas where additional investments may have limited impact due to structural bottlenecks that would require long-term institutional changes. For example, recent research indicates that environmental issues relating to clean air could be substantially improved with additional budget resources while other issues relating to SDGs 14 and 15 would require improving the effectiveness of programs.¹⁵

The adoption of the SDGs has prompted the development of financing and budgeting initiatives to support an integrated implementation. The development of integrated national financing frameworks (INFFs) aims to mobilize financing for the SDGs and align countries' financing policies (from taxation to investment and development cooperation) with their sustainable development strategies and the SDGs.¹⁶

Governments can also improve policy coherence and accountability by linking or tagging the budget to the SDGs and to national monitoring and performance frameworks.¹⁷ Several countries (including Argentina, Colombia, Denmark, Finland, Mexico and the Philippines) have developed methodologies to link the budget to the SDGs¹⁸. Colombia has developed methodologies to monitor budget allocations and execution for cross-cutting issues and integrating cross-cutting budget lines relating to, for example, gender, youth or ethnic minorities, both at national and local level in the Capital District of Bogota.¹⁹ Other countries (such as Ghana) are reporting on SDG budget execution and how it may support progress on the SDGs.²⁰

In the aftermath of COVID-19, discussions on fiscal sustainability and debt management have to address critical tradeoffs related to managing future crises while preventing further negative impacts on inequality.²¹ Governments should be encouraged to better link public financial management decisions to development outcomes for different

14 Jorge Cristóbal and others, <u>"Unraveling the links between public spending and Sustainable Development Goals: insights from data envelopment analysis"</u>, Science of The Total Environment, vol. 786 (September 2021), 147459, p. 3.

- Omar A. Guerrero and Gonzalo Castañeda "Government expenditure and sustainable development prioritization" in UN DESA *World Public Sector Report 2023*.
 Integrated National Eingening Ergenworks, "About INEEs".
- 16 Integrated National Financing Frameworks, "About INFFs".

17 Raquel Ferreira, Aura Martinez and Juan Pablo Guerrero "Evidence-based resource prioritization for sustainable development goal implementation" in in UN DESA *World Public Sector Report 2023.*

- 18 Suren Poghosyan and others, Budgeting for the Sustainable Development Goals: A Modular Handbook (New York, UNDP Sustainable Finance Hub, 2022).
- **19** UN DESA *World Public Sector Report 2023*, page 67.
- 20 Ghana, Ministry of Finance, SDG budget documents

groups in society in order to identify the implications of budget allocations and actual expenditures for specific groups and how trade-offs affect them, including from an intergenerational perspective. In Kenya, for instance, one of the objectives of the 2020 public debt policy was to guarantee the sustainability of public debt to prevent negative effects on future generations and regional equity.²²

5. SDG COORDINATION AND RISK MANAGEMENT

The lack of long-term approaches to risk management exacerbates SDG trade-offs. Upgrading existing risk policies and institutions should not be limited to technical modifications. The 2014 OECD Council Recommendation on the Governance of Critical Risks²³ suggests "building a risk culture". This approach is aimed at raising risk awareness, facilitating a better understanding of the economic and social implications of risks, and highlighting both individual and collective responsibilities for risk management among all stakeholders and the public.

One area of opportunity is the systematic integration of risk management into cross-cutting processes and institutional arrangements at the centre of government, including strategic planning and foresight, coordination structures, and monitoring and evaluation systems.²⁴ However, persistent institutional fragmentation and the challenges surrounding the development of responses to long-term issues hinder these efforts.

Attention should be given to the potential opportunities and benefits deriving from risk-informed assessments of policy trade-offs and synergies, including rebuilding trust in government, better calibrating SDG-related public investment across sectors and over time, protecting public assets, reducing the waste of public resources, and strengthening national resilience on the way to greater prosperity.²⁵

There is a need to invest in risk anticipation capacities and in critical sectors to strengthen preparedness for pandemics and other major crises through early warning systems, foresight, systematic horizon scanning, scenario planning and risk assessments.²⁶ Strategic foresight can help Governments address the urgent need not only to identify risk, but also to institutionalize prevention and to implement contingency plans.²⁷

Investing in shared learning can also bolster progress.²⁸ Learning from good practices of piloting structures for

- 23 OECD, Assessing Global Progress in the Governance of Critical Risks (Paris, OECD Publishing, 2018).
- 24 Rolf Alter, "CEPA strategy guidance note on risk management frameworks" (New York, United Nations, Department of Economic and Social Affairs, February 2021).
- 25 Rolf Alter "Risk management in the aftermath of COVID-19" in UN DESA World Public Sector Report 2023.
- 26 World Economic Forum, <u>The Global Risks Report 2023: Insight Report</u>, 18thed. (Cologny/Geneva, World Economic Forum, 2023).
- 27 Catarina Z. Tully "Operationalizing strategic foresight to better support Governments in managing sustainable development goal trade-offs and synergies in the post-COVID context" in UN DESA, *World Public Sector Report 2023.*
- 28 Rolf Alter "Risk management in the aftermath of COVID-19" in UN DESA World Public Sector Report 2023.

²¹ Isabel Ortiz and Matthew Cummins, "Global austerity alert: looming budget cuts in 2021-25 and alternative pathways", working paper, April 2021 (New York, Initiative for Policy Dialogue).

²² José Maurel, "CEPA strategy guidance note on long-term public debt management" (New York, United Nations, Department of Economic and Social Affairs, October 2021).

SDG implementation on how to effectively integrate risk anticipation in the assessments of trade-offs and synergies can help. Moreover, facilitating exchanges among risk managers in the public and private sectors on how to best close the impact gap in risk management and advance a risk culture which would raise understanding of individual and collective responsibilities for preparedness would be useful.

6. MORE SYSTEMIC APPROACHES TO SDG IMPLEMENTATION AS REFLECTED IN THE VOLUNTARY NATIONAL REVIEWS

Following the adoption of the 2030 Agenda, countries have adopted more systemic approaches to policymaking. Efforts in this area continue to be one of the most tangible results of SDG implementation. Many countries have developed their own methodologies for analyzing SDG synergies and tradeoffs in their contexts. There are also good examples at the country level of how countries are setting priorities and working to strengthen coordination and policy coherence.

The Voluntary National Reviews (VNRs) provide examples and information on how countries are fulfilling the mandate to respect the indivisibility and integrated nature of the SDGs in their implementation of the 2030 Agenda.

Table 1 identifies selected examples of how countries are working to strengthen policy coherence and integration. The following sections explore some areas of action and identify existing gaps and actionable ways forward.

7. ADDRESSING CHALLENGES AND THE WAY FORWARD

While countries have shown significant capacity to innovate and advance systemic actions to implement the SDGs, gaps and challenges remain (Figure 1). First, there is limited evidence on how institutional fragmentation, interdependencies and integration play out in different national contexts and across sectors and levels of government. Similarly, evidence of how a systemic understanding of the SDGs translates into actual policy actions is still scarce. Further research and independent assessments are needed to evaluate whether processes and institutional measures taken by countries effectively make prioritysetting and implementation more systemic and enhance the capacity to leverage synergies and mitigate trade-offs.

Another challenge relates to the actual use of tools, methodologies and approaches to support systemic decisionmaking on the SDGs. Different methods serve different purposes for policymaking, but existing approaches are often neither actionable nor tailored to the demands of decision makers. A faster and broader uptake and application of existing tools would require actionable advice, alignment between tools and policymakers demand, and sharing how Table 1

Selected examples of actions to advance policy coherence and integration

Selected measures and actions	Examples
Developing and applying tools for SDG prioritization and integration	Botswana, Colombia, El Salvador, Gabon, Kazakhstan, Lesotho, Mongolia, United Arab Emirates, Uruguay, São Tomé and Príncipe, Sri Lanka, Sweden, Switzerland
Institutionalizing coordination for SDG implementation	Argentina, Botswana, Djibouti, El Salvador, Equatorial Guinea, Ghana, Jamaica, Luxembourg, the United Arab Emirates, the Philippines
Mapping budgets to the SDGs and measuring their contribution to each Goal	Andorra, Argentina, Ethiopia, Ghana, Italy, Lesotho, Malawi, Sri Lanka, Uruguay
Reflecting SDGs in medium-term expenditure frameworks	Ethiopia, Lesotho, the Philippines
Gender-responsive financing strategies and budgeting	Botswana, Cameroon, Grenada, Jordan, Liberia, Montenegro, Togo
Decentralizing budgets	Ethiopia, Sri Lanka

Source: Nina Weitz "Managing policy trade-offs and synergies at the national and local levels [...]" in UN DESA *World Public Sector Report 2023*.

tools are used in practice and with what results. Networks can promote the dissemination and uptake of analytical tools and models to support a systemic approach to SDG implementation and to encourage their practical use.

There is a need of having more inclusive, equitable and socially relevant institutional and science systems in support of SDG implementation. This can be achieved by involving a wider range of voices, institutions, sources of knowledge, and approaches to knowledge generation and learning. Stakeholder participation in SDG policymaking can help strengthen public trust in science and advance inclusive knowledge production, learning and capacity-building. Joint training and activities, the dissemination of common conceptual frameworks, and mutual learning can contribute to the use of science-based tools, supporting collaboration around sustainable development challenges, and promoting policy innovation.

Finally, the SDG follow-up and review system can provide opportunities to advance integrated SDG policymaking. The High-level Political Forum and other global forums provide a space for advancing knowledge-sharing on national processes for managing synergies and trade-offs in SDG implementation and to share experiences on the principle of indivisibility and integration through monitoring and reporting mechanisms such as the VNRs.