

## REFORMS IN SDGS – INTERNATIONAL ORGANIZATION

NEWS: The United Nations Secretary-General Antonio Guterres called for urgent action in three key areas to help finance the achievement of the UN-mandated Sustainable Development Goals (SDG) by 2030.

### WHAT'S IN THE NEWS?

#### Background

##### **Lag in SDG Progress:**

The world is currently facing a convergence of crises — including economic instability, geopolitical conflicts, and global trade disruptions — all of which are slowing progress toward achieving the Sustainable Development Goals (SDGs).

##### **Debt Servicing Burden on Developing Nations:**

Developing countries are collectively spending over **\$1.4 trillion annually on debt servicing**, which severely restricts their ability to allocate resources for critical investments in development, such as health, education, and infrastructure.

##### **Urgent Areas Identified by the UN:**

To tackle these challenges, the United Nations has highlighted **three urgent reform priorities**:

Comprehensive **debt reforms**,

Strengthening of **international financial institutions (IFIs)**,

**Diversification** of development finance sources.

#### Key Areas of Reform

##### 1. Debt Reforms

##### **Expand G20's Common Framework:**

The G20's **Common Framework for Debt Treatments** must be **accelerated in its implementation** and **expanded** to include **middle-income countries** that are currently facing debt distress but are excluded from relief mechanisms.

##### **Reform Credit Rating Methodologies:**

Major **credit rating agencies** should revise their rating models, as the current methodologies often **inflate risk assessments** for developing nations, leading to **higher borrowing costs** and reduced investor confidence.

##### **Revise Debt Sustainability Assessments (DSAs):**

Institutions like the **IMF and World Bank** must reform their debt sustainability assessment frameworks to **recognize investments linked to SDGs and climate adaptation** as vital and not merely liabilities, enabling more development-friendly fiscal space.

## 2. Strengthening International Financial Institutions

### **Recapitalization of MDBs:**

**Multilateral Development Banks (MDBs)** need urgent **recapitalization** to enhance their ability to meet the growing financing needs of developing countries.

### **Optimizing MDB Balance Sheets:**

MDBs must **stretch their balance sheets** and adopt innovative financial instruments to **increase lending capacity without compromising financial stability**.

### **Mobilizing Affordable Private Capital:**

MDBs should actively work to **mobilize private sector investment** at **affordable interest rates**, particularly for low-income and climate-vulnerable countries.

## 3. Diversifying Finance Sources

### **Enhancing Domestic Resource Mobilization:**

Governments must focus on **mobilizing domestic revenues** through improved tax systems and fiscal governance to strengthen public service sectors like **health, education, and infrastructure**.

### **Promoting Blended Finance Models:**

Countries should **explore blended finance mechanisms** that combine public and private capital to fund large-scale development and climate-related projects.

### **Curbing Corruption:**

Governments must strengthen institutional mechanisms to **combat corruption**, ensuring that public funds are **used efficiently and transparently** for their intended development objectives.

## Way Ahead

### **Push for Inclusive Global Tax Reforms:**

There is a pressing need to establish an **inclusive and equitable global tax system** to ensure that **international tax norms** are applied fairly and that developing countries receive their due share of tax revenues.

### **Fulfilment of ODA Commitments:**

Developed countries must **honour their Official Development Assistance (ODA) pledges**, which are crucial for supporting vulnerable nations in achieving the SDGs.

### **Innovative Climate Finance at COP30:**

Upcoming global platforms, such as the **COP30 Climate Conference in Brazil**, will serve as key opportunities to discuss and implement **innovative climate finance**

**solutions**, with the goal of **mobilizing \$1.3 trillion annually by 2035** for climate-resilient development.

SDG Report, 2024?

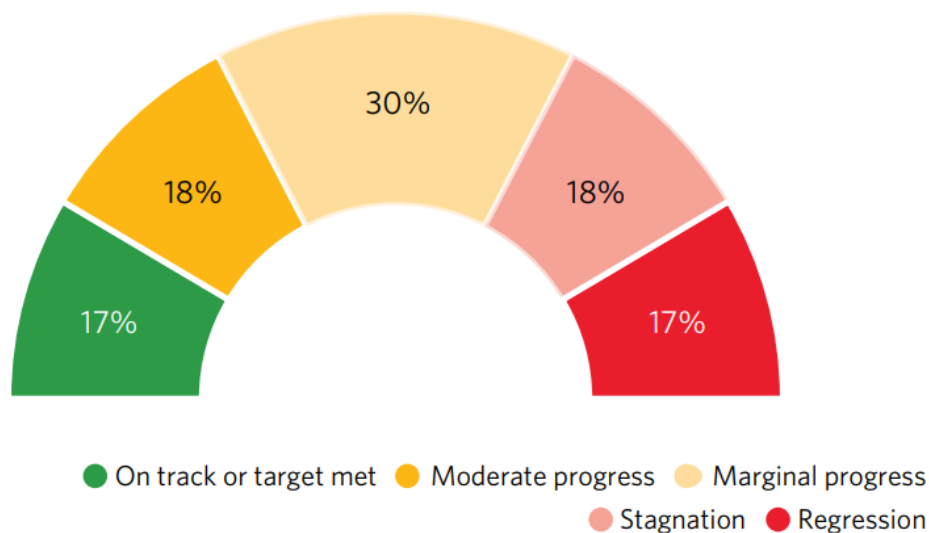
▪ **About:**

- It gives a detailed update on the world's progress on SDGs from 2015 to 2024, looking ahead to 2030.
- It highlights both **successes** and **challenges** as the international community strives to fully **realize** the ambitions and principles of the **2030 Agenda for Sustainable Development**.

▪ **Findings:**

- The report revealed that the world is **severely off track** to realize the 2030 Agenda.
- Based on 2015 baseline levels, only **17%** display progress **sufficient** for achievement by 2030.
  - **18%** shown **moderate** progress
  - **30%** shown **marginal** progress
  - **18%** shown **stagnation**

**Overall progress across targets based on 2015–2024 global aggregate data**



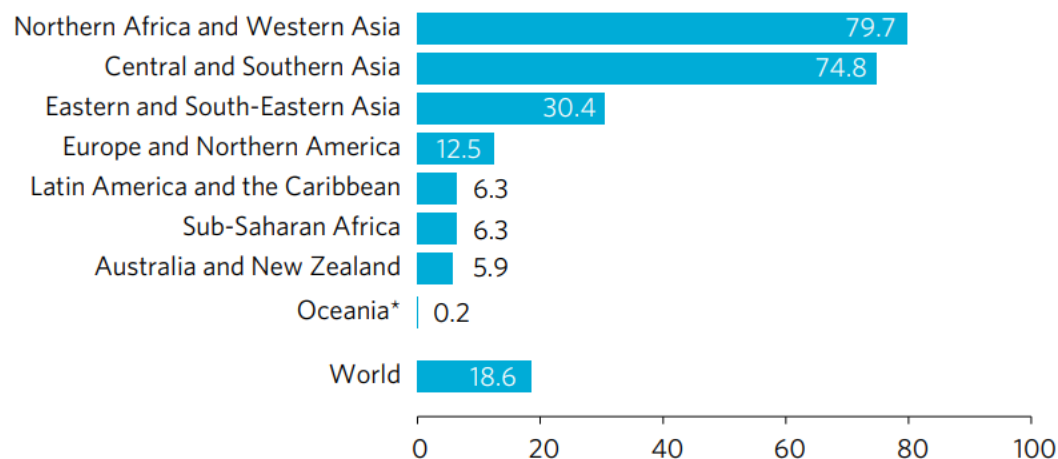
- **17%** indicated regression.

• **SDG 1 (No Poverty):**

- The **COVID-19 Pandemic** caused **extreme poverty** to rise in 2020 for the first time in decades, reversing global progress by three years.
  - Extreme poverty rose from **8.9%** in **2019** to **9.7%** in **2020**.
- By **2030**, **590 million** people may still live in **extreme poverty** if current trends persist.
- **SDG 2 (Zero Hunger):**
  - **29.6%** of the world's population, or **2.4 billion people**, were moderately or severely food insecure in **2022**.
  - **Record-high food prices** in 2022 worsened purchasing power and access to food, negatively impacting **food security** and **nutritional** outcomes.
- **SDG 3 (Good Health and Well-Being):**
  - **COVID-19** reversed the positive trend with global **life expectancy** plummeting to **71.4 years by 2021 (2019- 73.1 years)**, back to the level of **2012**.
  - The **maternal mortality ratio** is largely stuck at a level more than **three times** the **2030 target**.
  - The proportion of the population lacking **essential health services** fell by approximately **15%** between 2000 and 2021.
- **SDG 4 (Quality Education):**
  - Globally, **girls' completion rates** exceed those of boys by **2 to 3 percentage points** in both **primary** and **secondary** education.
  - Since 2015, **only 58%** of students worldwide achieved a **minimum proficiency** in reading by 2019. There is a significant **decline** in math and **reading scores** in many countries.
  - On average, **15%** of **teachers lack minimum** qualifications, constraining progress across all levels of education.
  - While technology has expanded educational opportunities, it has also **widened inequalities**, leaving millions of people, especially in marginalized and **low-income** communities, without access to education.
- **SDG 5 (Gender Equality):**
  - An estimated **640 million girls and women** were married in **childhood** globally, with **one third in India** alone.
  - Over **230 million girls and women** have been subjected to **female genital mutilation**.

- Women carry an unfair burden of **unpaid domestic** and care work, spending **2.5 times** more hours a day on it than men.
- **SDG 6 (Clean Water and Sanitation):**
  - Between 2015 and 2022, the proportion of the population using **safely managed drinking water** increased from **69% to 73%**.
  - In 2022, however, **2.2 billion** people still **lacked safely managed drinking water**, **3.5 billion** went **without safely managed sanitation** (including 419 million who practiced open defecation) and **2 billion** still had inadequate **basic hygiene services** (including 653 million with no facilities at all).
  - Globally, the **water stress** level reached an average of **18.6% in 2021**, with Central and Southern Asia facing high stress and Northern Africa in critical

**Level of water stress, 2021 (percentage)**



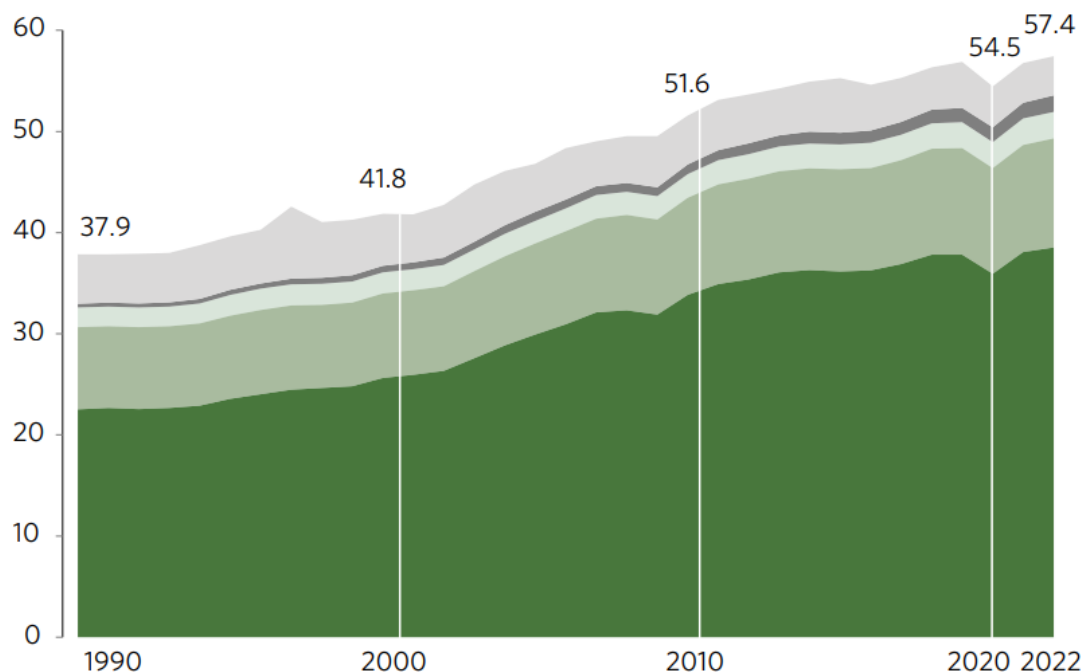
\* Excluding Australia and New Zealand.  
stress.

- **SDG 7 (Affordable and Clean Energy):**
  - The number of people lacking access to **electricity** dropped from **958 million** in **2015** to **685 million** in **2022**.
  - The number without **clean cooking fuels** declined from 2.8 billion to **2.1 billion** over the same period.
  - An estimated **660 million people** will still **lack electricity** access and around 1.8 billion will go without clean cooking fuels and technologies by 2030.
- **SDG 8 (Decent Work and Economic Growth):**

- **Global real GDP per capita** grew at an average annual rate of **2.1%** from 2010 to 2014, slowing to **1.6%** from 2015 to 2022.
- **Informal employment** poses a significant global challenge, with over **2 billion workers** in informal jobs lacking social protection in 2023.
- **SDG 9 (Industry, Innovation and Infrastructure):**
  - Since 2015, the **global manufacturing** value added per capita has risen by **16%**, from USD 1,653 (at constant 2015 prices) to USD 1,922 in 2023.
  - Since 2022, **manufacturing sector growth** has plateaued at around **2.7%**. It is expected to persist into 2024 due to the lingering impacts of the **COVID-19 pandemic** and **geopolitical tensions**.
  - **Small enterprises** continue to face hurdles such as **limited access to credit** as only around 17% has access to loans or credit lines.
  - Despite reduced **carbon dioxide (CO<sub>2</sub>) emissions intensity**, global emissions have hit a record high.
- **SDG 10 (Reduced Inequalities):**
  - The global share of people living on less than half the median income has been declining due to **social assistance programmes**.
    - Social assistance programmes, particularly in **wealthier countries**, largely explain reduced inequality during the pandemic.
  - **Workers' wages** have **not** kept pace with **productivity**, and labor's share of GDP has resumed its long-term decline.
    - The labor income share of GDP dropped from **54.1% in 2004 to 52.7% in 2021**, representing a loss of USD 568 (**purchasing power parity**) per worker.
- **SDG 11 (Sustainable Cities and Communities):**
  - In 2022, **24.8%** of the urban population lived in **slums or informal settlements**, slightly lower than **25% in 2015** but higher than **24.2% in 2020**.
  - Each year, an estimated 4.2 million people die due to ambient air pollution.
  - Globally, exposure to fine **particulate matter (PM<sub>2.5</sub>)** dropped by 9%.
- **SDG 12 (Responsible Consumption and Production):**
  - In 2022, global food waste reached 1.05 billion metric tons, yet only 9 of 193 countries included food waste in their **nationally determined contributions (NDCs)** on climate change actions.

- The rapid growth of global **e-waste** remains largely unaddressed, with only 22% collected and managed sustainably.
- **SDG 13 (Climate Action):**
  - Communities worldwide are suffering from **extreme weather** and increasingly frequent and more intense disasters, destroying lives and livelihoods daily.
    - Current national policies set the world on track for **warming of 3°C**. **NDCs** lower this to **2.5°C**. There is currently only a **14% chance** of limiting warming to **1.5°C**.
  - In 2022, global **greenhouse gas** emissions reached a new record of **57.4 gigatons of CO<sub>2</sub> equivalent**.
    - The **energy sector**, responsible for **86% of global CO<sub>2</sub> emissions**, remains the largest contributor, driven by the expansion of

**Total net anthropogenic greenhouse gas emissions, 1990–2022**  
(gigatons of CO<sub>2</sub> equivalent)

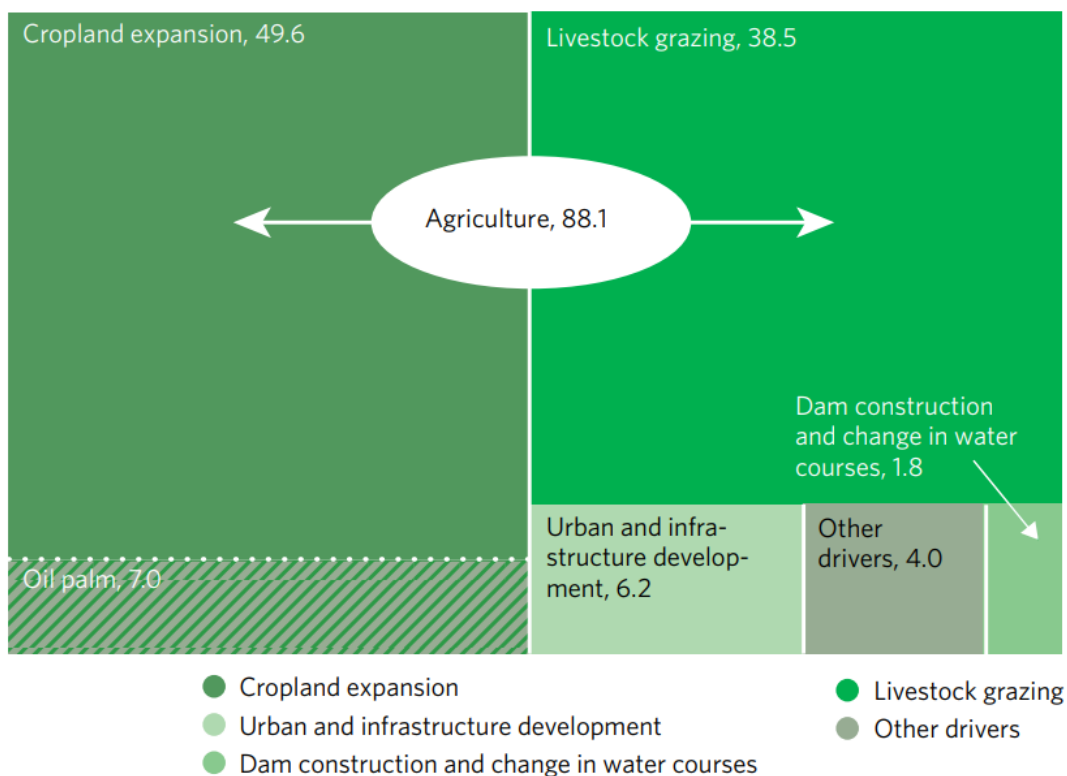


coal- and gas-fired power generation.

- **SDG 14 (Life below Water):**
  - The **sustainability** of global fishery resources declined from **90% in 1974 to 64.6% in 2019** and further to **62.3% in 2021**, due to **overfishing**, pollution, poor management and other factors.

- The **Southeast Pacific** had the highest percentage of overfished stocks at 66.7%, followed by the **Mediterranean** and **Black Sea** at 62.5%.
  - The value added of fisheries and aquaculture rose by 10% from 2019 to 2021.
  - The contribution of sustainable fisheries to GDP declined 5.4% in 2021.
- **SDG 15 (Life on Land):**
- Between 2000 and 2020, the proportion of **forest cover** decreased from **31.9% to 31.2% of total land area**, resulting in net forest area losses of nearly **100 million hectares**.
  - **Agricultural expansion** drove almost **90%** of global deforestation; **cropland** accounted for **49.6%** and **livestock grazing** for 38.5%.
  - **Species** are silently becoming **extinct**, the protection of key biodiversity areas has stalled and global **illicit wildlife trafficking** has steadily increased, posing

**Main drivers of global deforestation, 2000–2018 (percentage)**



serious threats to biodiversity.

- **SDG 16 (Peace, Justice and Strong Institutions):**



- Rising conflicts and violent **organized crime** persist around the world, causing immense **human suffering** and hampering sustainable development.
  - The number of **forcibly displaced people** reached an unprecedented 120 million in May 2024.
  - **Civilian casualties** in armed conflicts surged by 72% in 2023.
  - The number of women killed in conflict increased for the first time since 2015.
- **Corruption** continues to divert resources from sustainable development.
  - About **19% of people** reported being asked to pay or having **paid a bribe** to a public official in the last 12 months.
  - The global **prison population** rose from 11.1 million in 2015 to **11.5 million in 2022**.
- **SDG 17 (Partnerships for the Goals):**
  - In 2023, the annual **SDG investment gap** in developing countries was estimated at about **USD 4 trillion**, with over half, or **USD 2.2 trillion**, needed for the **energy transition** alone.
    - Global **foreign direct investment (FDI)** flows in 2023 amounted to USD 1.33 trillion, a decrease of 2% from 2022.
    - Gains in remittances and **official development assistance (ODA)** have been modest.
  - About 60% of low-income countries are at high risk of debt distress or already experiencing it.

Source: <https://www.downtoearth.org.in/economy/un-pushes-for-debt-reforms-finance-source-diversification-to-meet-sdgs#:~:text=The%20United%20Nations%20Secretary-General,SDG>