

ESDN CONFERENCE 2019 REPORT

Towards a Sustainable Europe 2030 – From Reflection to Action

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Table of Contents

Introduction	4
Welcome and Overview of the Conference Objectives	5
Session 1: Taking Stock on the Implementation at the Global, European and Nationa 4 years after the adoption of the 2030 Agenda	
Video Address on the Global 2030 Agenda Process	8
Global Sustainable Development Report (GSDR): Paving the way for global transformation to sustainable development by 2030	8
EU's Strategy and Approach to Achieve Sustainable Development by 2030	9
Overview of the State of Implementation of the 2030 Agenda on the National L Europe	
Stakeholder Panel Discussion: Taking stock on the 2030 Agenda implementation the different policy levels	
Session 2: Transformative Rather than Incremental Changes for Sustainable Develop - What does it mean in terms of economics and governance for SD?	
Linking SD and the 2030 Agenda to Economic Reality	15
Meta-governance for Sustainability: The full toolbox in implementing the SDGs	
Stakeholder Sounding Board	18
Results: Participant Table Discussions	21
Impressions from the ESDN on Day 1	22
Session 3: Key Challenges for Europe in Reaching the SDGs and 2030 Agenda	24
SDG Index 2019 and Key Challenges for Europe	24
Key Challenges and Important Activities to Achieve the SDGs	25
Key Themes for Europe in the Implementation of the 2030 Agenda/SDGs	26
Circular Economy	26
Economy of Wellbeing	28
Sustainable Finance, Reporting and Their Role in Achieving the SDGs	29
Global Responsibility	32
The Way Forward	35
Conference Closure	37

Introduction

This ESDN Conference Report provides information on the inputs, discussions and outcomes of the ESDN Conference 2019, entitled "Towards a Sustainable Europe 2030 – From Reflection to Action", which took place in Helsinki on 30-31 October 2019 in cooperation with the Finnish Prime Minister's Office and was held in conjunction with the Finnish EU Presidency. The Conference focused on many topics relating to the implementation of the 2030 Agenda and the SDGs at the global, European and national levels, while also taking stock of where Europe stands after four years of implementation. Other Conference topics included the linking of the 2030 Agenda to economic reality and looking at meta-governance for sustainability. In addition, the Conference focused on various challenges for Europe in reaching the 2030 Agenda and the SDGs and delved deeper into four key themes: Circular Economy; Economy of Well-Being; Sustainable Finance; and Global Responsibility. The Conference was a 1.5-day event, and brought together policymakers and experts from different stakeholder groups from all over Europe and beyond. In total, 130 participants from 31 countries took part in the Conference.

The Conference started with a Welcome and Overview of the Conference Objectives, followed by three sessions over the 1.5 days:

- **Session 1:** Taking Stock on the Implementation at the Global, European and National Level: 4 years after the adoption of the 2030 Agenda
- **Session 2:** Transformative Rather than Incremental Changes for Sustainable Development What does it mean in terms of economics and governance for SD?
- Session 3: Key Challenges for Europe in Reaching the SDGs and 2030 Agenda

To access the full documentation of the ESDN Conference 2019, please go to the <u>ESDN Website</u>, where the following documents are available for download: 1) the Conference Agenda; 2) the Conference Background Paper; 3) the PDFs of PowerPoint slides from keynote speakers; 4) this Conference Report; and 5) a photo documentation.

Keynote speakers with available presentations will be noted in the following sections.

Welcome and Overview of the Conference Objectives

The welcome address was delivered by the Finnish Minister for Development Cooperation and Foreign Trade, **Ville Skinnari**.

The Minister welcomed participants, praised Finland's active membership in the ESDN, and stated that Finland would continue this membership.

He quickly transitioned to the 2030 Agenda, stating that Finland is very serious about implementing the 2030 Agenda. It was one of the first countries to present a Voluntary National Review (VNR) at the High Level Political Forum (HLPF) in 2016, and will again report to the HLPF in 2020. The country is determined to become a socially and economically sustainable society by 2030, with the more specific aim of being carbon neutral by 2030.

Minister Skinnari also mentioned that the roadmaps that Finland develops are also important. The Global Sustainable Development Report is an important landmark for the Finnish roadmap for sustainable development. The Report makes interlinkages between the different SDGs and emphasizes that all societal actors need to take responsibility.

The SDGs are also a guiding framework for budgets of the states. Coalition of finance ministers of climate action to the cooperation between Finland and Chile. The Minister stressed that having finance ministers and ministries onboard are important for real change at the global level and it translates the SDGs in a way that they can be seen in practice. Report also calls on the local level to take action. Governments bear main responsibility for the implementation of the 2030 Agenda, but the SDGs must also be done at the local level, bringing the SDGs close to citizens' lives. Finland is a frontrunner on this score as well. Helsinki, for example, reported on the 2030 Agenda last July at the HLFP, which made it the second city after New York to report.

However, one thing remains to be done; there are more than 300 municipalities in Finland, and while many have done action towards sustainable development in their planning and budgeting, most of them are still not on track. Finland wants to focus on that in the future.

The Minister also highlighted the immense financing gap in developing countries for the SDGs. He stressed it was not only important to increase traditional ODA, but also to leverage private capital for the SDGs. Finland is also encouraging private sector funding in developing countries. Science and technology work for developing countries needs to be increased as well.

The Minister closed by focusing on the European level, stating there are promising signs of 2030 Agenda implementation in Europe. The incoming European Commission President stated that all Commissioners need to support 2030 Agenda implementation. The European Union needs to make a great leap to achieve the 2030 Agenda and the SDGs in the coming years. "Sustainable Europe – sustainable future" is the Finnish EU Presidency motto.

Wolfram Tertschnig & Elisabeth Freytag-Rigler from the Austrian Federal Ministry for Sustainability and Tourism, and Co-Chairs of the ESDN, took the stage next to welcome participants and to thank the Minister for his opening remarks.

Wolfram Tertschnig began by firstly praising Finland for being such an active country when it comes to implementing sustainable development, which has been happening since their very first National Sustainable Development Strategy through their continuing work on implementing the SDGs.

He then gave a brief history of the ESDN as a network, stating that the ESDN started in 2002, and that it applies a bottom-up approach in order to exchange and learn regarding issues, themes and topics in sustainable development. This exchange and sharing mechanism functions over a multitude of different ESDN events, ranging from conferences, to workshops, to peer learning events. The ESDN has more than 450 members and partners from all over Europe and the world, who all share similar ambition: achieve a more sustainable development oriented path through the world. There are about 30 countries represented in the conference room, as well as important organizations, including representatives of the European Commission, the European Economic and Social Committee (EESC), European Environment and Sustainable Development Advisory Councils (EEAC), national governments, different stakeholder groups, etc., who all engage in mutual learning and sharing experiences with the ESDN.

Wolfram Tertschnig then informed participants that the ESDN will have a new form in the future, as it will become an association under Austrian law and will be headed by Finland as the new President of the ESDN. It is hoped that this legal status will allow the ESDN to have a more political role in the future and act as more of a support to the European way forward on the 2030 Agenda. He reminded the participants that the ESDN and its activities have already been mentioned in various Council Conclusions.

Elisabeth Freytag-Rigler took over and thanked the Finnish EU Presidency for allowing the ESDN to host the Conference in conjunction.

Elisabeth Freytag-Rigler then focused on what the ESDN has meant to her over the past 15 years, as it is a way to meet friends and committed people also invested in the sustainable development cause.

She reflected that the national and EU level are important for the 2030 Agenda implementation and that there have been promising signs, such as all Commissioners having to follow the 2030 Agenda and the SDGs in their respective work programs. The Green Deal, which was announced by the future Commission President Ursula von der Leyen, looks very promising and the transition to climate neutrality is a very important and ambitious goal. The Green Deal will cover many of the 17 SDGs, so it might no longer be necessary for there to be a separate EU strategy for the implementation of the SDGs. She also mentioned that she is not convinced about reporting on the SDGs in the European Semester, as this is a growth-oriented system.

Annika Lindblom, the Secretary General of the Finnish National Commission on Sustainable Development, gave the last welcoming speech of the opening session. She focused on the Conference, saying that not only is it about the topics, but also about celebrating the long-term history of the ESDN and to looking forward to its new developments. Finland has started in the 1990s and she praised Sauli Rouhinen, who as a participant in the Conference, for starting that process for Finland.

Annika Lindblom shared that the Finnish EU Presidency has been a challenge this year, as there has been political and institutional turbulence, a new European Commission will take office very soon.

With the Finnish Presidency and Finland chairing the Working Party on Sustainable Development and the 2030 Agenda, they did not want to wait until the new EC took office. There are many things that exist for us to start working on. The ESDN Conference theme is also reflecting this with its progress and future perspectives from the global, European and national levels.

At the global level, this has been a super year, as there were nice political declarations at the SDG Summit in September, the Global Sustainable Development Report was published and there were impressive messages and recommendations for accelerating the implementation of the 2030 Agenda. In addition, the EU approach to sustainable development is reflected in many political and policy documents. How the mainstreaming of the 2030 Agenda is done still remains a bit vague. The EU

Council Conclusions from April 2019 was a very solid paper, which forms a good basis. The Eurostat Sustainable Development Indicator Report and the working party of Presidency is also very much related to this report.

The private sector has not been mentioned yet, but it is a very important actor in the implementation process. The EU has been leading the movement of SDG implementation globally.

In Finland, the new government has an ambitious sustainable development program and is planning to do another VNR for July 2020. The government has also reported to parliament on the implementation of the 2030 Agenda and the SDGs. The SDG Roadmap will be prepared until the end of the current government term.

Session 1: Taking Stock on the Implementation at the Global, European and National Level: 4 years after the adoption of the 2030 Agenda

Session 1 focused on the implementation of the 2030 Agenda and the SDGs at the global, EU and national levels four years after its adoption. The session included a video address and three keynote speakers, each representing the global, EU and national levels. The session closed with a panel discussion with stakeholders, where they shared and discussed their stakeholder-specific viewpoints on the implementation of the 2030 Agenda and the SDGs at the different policy levels.

Video Address on the Global 2030 Agenda Process

The beginning of Session 1 started with a video address from the Deputy Secretary General of the United Nations, **Amina J. Mohammed**, who delivered a 3-minute message on the Global 2030 Agenda Process. The video can be found on the <u>ESDN Website</u>. She discussed the successes and challenges the world has been having after four years of implementation.

Global Sustainable Development Report (GSDR): Paving the way for global transformation to sustainable development by 2030

The first keynote presenter in Session 1 was **Eeva Furman**, who is a member of the GSDR Group of Scientists. The full documentation of her presentation in the form of PowerPoint slides can be found on the <u>ESDN website</u>.

Her presentation focused on the Global Sustainable Development Report and started by sharing that progress towards reaching the 2030 Agenda and the SDGs has been far too slow and only some of the SDGs will be reached by 2030. In some circumstances, with respect to certain SDGs, progress has actually been moving in the wrong direction if business as usual continues. In the GSDR, four negative trends were found: 1) rising inequalities; 2) biodiversity loss; 3) climate change; and 4) the growing amount of waste.

Eeva Furman stressed that the interlinkages between the SDGs are essential and being able to foresee the potentials and the needs to act on these interlinkages will become tantamount to successfully reaching the SDGs.

She also highlighted the effect that our increasingly hyper-connected world has on the SDGs, and, more importantly, on the winners and losers, as global flows are divided unequally: Many important transformations are in the hands of a limited amount of crucial stakeholders. However, the GSDR identifies six key areas for transformation:

- 1) Human well-being and capabilities;
- 2) Sustainable and just economies;
- 3) Sustainable food systems and healthy nutrition;
- 4) Energy decarbonization with universal access;
- 5) Sustainable urban and peri-urban development; and
- 6) Securing global environmental commons levels for transformation: governance, economy and finance, individual and collective action, science and technology we need all four and they all need to be connected.

In addition to the six key areas, which act as entry points for transformation, four levers can be employed for each of the six areas. These four levers are: 1) Governance; 2) Economy and Finance; 3) Individual and Collective Action; and 4) Science and Technology. There are many different combinations of the levers that are very much context-dependent, but nevertheless form integrative pathways to transformation with respect to sustainability.

In closing, Eeva Furman discussed three calls to action for sustainability science. The first call to action deals with harnessing existing knowledge for accelerated SDG implementation, which sees: 1) Continued support for international scientific assessments and synthesis and their increased coherence; 2) Establish open-access national and regional SDG knowledge platforms; 3) Sustainable development councils and knowledge diplomacy; and 4) Support novel partnership of science (public-private-civil society) and building of competencies.

The second call to action is in regards to boosting scientific knowledge in low and middle-income countries. This can be done by: 1) Building open-access SDG knowledge and technology platforms to design, monitor, and evaluate transformations to SD; 2) Harnessing and boosting scientific capacities through North-South and South-South transboundary research partnerships; 3) Supporting curricula and education in sustainable development; and 4) Building national and regional scientific funding institutions.

The last call to action is a 'moon-shot' mission for Sustainability Science, which entails: 1) A rapid increase of mission-oriented research that is guided by the 2030 Agenda; 2) Scientific assessment of existing transformation knowledge including nonacademic sources; 3) Adapt funding schemes to program structures supporting inter- and transdisciplinary research; 4) Expand incentive- and evaluation schemes; and 5) Create experimental spaces and transformation labs for next generation science-policy interfaces.

The main messages of the GSDR 2019 are:

- Achieving sustainable development is still possible;
- Multilateral organizations, governments and public authorities should explicitly adopt the Sustainable Development Goals as a guiding framework for their programming, planning and budgetary procedures;
- To accelerate transformations, special attention should be devoted to the six entry points, applying knowledge on the interlinkages, harnessing synergies and mitigating trade-offs;
- The four levers of change governance, economy and finance, individual and collective action, and science and technology should be coherently and context-specifically combined; and
- Science must play a major role in advancing sustainable development

EU's Strategy and Approach to Achieve Sustainable Development by 2030

Helena Braun from Commissioner Frans Timmermans' cabinet at the European Commission gave the next keynote presentation and focused on the EU level regarding the EU's approach to achieving sustainable development.

She began her presentation by stating that the impetus from the sustainable development community was important in getting the Commission moving regarding the topic of sustainable development. Sustainable development and the 2030 Agenda have been top priority for Commissioner Timmermans, and he wants to go further and deeper as the future Executive Vice President of the Green Deal.

Helena Braun underlined that the new Commission has not yet taken office, but that she would still try to take stock of the sustainable development situation in the EU and try to say a few words regarding the future developments on sustainable development.

Helena Braun shared that the EU 2020 Strategy and the Juncker Core Priorities were already set by 2016. However, there was a two-step approach in the Commission, which saw the Commission take a mainstreaming approach for the SDGs and launch a reflection on them. The mainstreaming approach was very fruitful, such as in the social dimension, and with the Circular Economy Action Plan, Energy Union to becoming climate neutral economy in the world, Sustainable Finance Action Plan, link between funding and rule of law, climate expenditure targets, etc.

There was also a new working method to break silos between different Commission Directorates and, through that, coherence and interconnectedness was improved.

Regarding the reflection on the EU sustainable development vision and policy, there was a Reflection Paper published in January 2019, which was a critical self-assessment on the long-term implementation in the Commission. The Multi-Stakeholder Platform was involved in the process as well.

Regarding the SDGs, there has been progress, but there is significant challenges in other areas. The "cherry picking" does not work with respect to the SDGs and their interconnectedness, since it is crucial that all SDGs be addressed.

She shared that SDG 12 (Responsible consumption and production) has the lowest ranking of the EU Member States in global rankings, so this is an important area for improvement. Social challenge is also crucial, social welfare is critical. The 2018 Eurostat Report indicated that SDG 10 in the EU was negative. However, the leading countries in global ranking on SDG implementation achievements are European countries, as their long-term experiences and strong commitment planted the seeds for transformative policies. However, to succeed fully, the EU needs to go further and deeper.

There needs to be a base on science and knowledge, as the main areas for action have been defined (mirrors the GSDR results): transition from linear to circular economy; social policies need to be prioritized; transport policy; and all horizontal enablers for sustainable development need to be boosted – science, education, digitalization, finance and investment and taxation.

In closing, Helena Braun focused on the future and stated that although the situation is difficult regarding Europe and the SDGs, Europe knows what needs to happen and what it needs to do. All key elements of the Reflection Paper have found their way onto the political level and with the new Commission President. Each Commissioner has to implement the SDGs in their respective area.

Crucial action is foreseen on sustainable finance, social policy, industry and trade, and development policy. SDG Reflection Paper will be an important basis for the new transformative action activities. The Green Deal must pave the way for a Sustainable Europe. Europe should lead the global process, but must also realize that other world regions are needed.

Overview of the State of Implementation of the 2030 Agenda on the National Level in Europe

Eric Mulholland from the ESDN Office at the Vienna University of Economics and Business gave the last keynote presentation in Session 1 and focused his presentation on the state of implementation of the 2030 Agenda at the national level. Full documentation of this presentation can be found on the ESDN Website.

Firstly, Eric Mulholland gave some background information regarding how the information regarding implementation was gathered, as the ESDN Office conducted a survey that was sent out to ESDN National Focal Points over the summer, where they were asked questions regarding 2030 Agenda implementation along 10 different governance area topics:

- 1. National Level Implementation of the 2030 Agenda and the SDGs;
- 2. Leadership and Good Leadership Qualities in Effectively Implementing the 2030 Agenda and the SDGs:
- 3. Horizontal Policy Integration;
- 4. Vertical Policy Integration;
- 5. Governance Innovations and Shortcomings;
- 6. Evaluation and Monitoring;
- 7. Participation;
- 8. Future Generations;
- 9. European Policy Cooperation; and
- 10. Reality Check on Implementation

For the purpose of the presentation, only the first four governance topics were discussed and the remaining topics will be featured in the upcoming ESDN Quarterly Report, which will be published in mid-December.

The ESDN survey sent to 32 ESDN National Focal Points and 26 surveys were completed by NFPs, while the remaining six were completed using information from VNRs, other public reports, and ESDN country profiles. Trends were then identified throughout the different governance topics. A brief look at the topics and sub-topics can be found below. As stated above, the complete presentation with more detailed figures should be consulted on the ESDN Website.

With respect to national level implementation, countries were asked whether they had a National Sustainable Development Strategy that was dedicated towards implementing the 2030 Agenda and the SDGs, how comprehensive their strategic documents are in terms of addressing the SDGs, how active national parliaments are in the implementation of the SDGs, and the crucial achievements that ESDN National Focal Points thought their countries had made over the course of the last four years.

Regarding leadership and good Leadership qualities in effectively implementing the 2030 Agenda and the SDGs, NFPs were asked: which ministry was responsible for the implementation of the 2030 Agenda and the SDGs, which other ministries were involved with implementation, as well as what types of good leadership aspects they could expect from government and the type of political commitment they would need to see better implementation of the 2030 Agenda and the SDGs.

Eric Mulholland then discussed the results of horizontal and vertical policy integration, which focused on the mechanisms that are in place that facilitate the implementation of the 2030 Agenda and the SDGs. Both governance aspects were looked at with respect to the important achievements that were reached, as well as the challenges that both these governance topics still face within the different countries.

Stakeholder Panel Discussion: Taking stock on the 2030 Agenda implementation at the different policy levels

This was the first panel discussions of the Conference and it was chaired by **Daniel Dubas**, Delegate of the Federal Council for the 2030 Agenda & Member of the ESDN Steering Group.

The panelists were:

- László Borbély, State Counsellor & Head Department of Sustainable Development Office of the Prime Minister of Romania;
- Ingeborg Niestroy, Institute for Advanced Sustainability Studies (IASS);
- **Cillian Lohan**, European Economic and Social Committee (EESC) Sustainable Development Observatory;
- James Gomme, World Business Council for Sustainable Development;
- Aleksanteri Kekonen, Representative of Finland's Agenda2030 Youth Group; and
- Jasmin Miah, ICLEI Local Governments for Sustainability

Daniel Dubas introduced the panelists and asked them to take stock and reflect on the topic from their different stakeholder perspective. As had been discussed and presented earlier in Session 1, such as the GSDR results highlighting that globally, no one is on tack regarding the SDGs, with some instances of the world even going in the wrong direction. This speaks to the fact that deep policy changes are needed, rather than the incremental changes like business-as-usual. Globally, Europe is doing well in comparison, but there are challenges that remain.

László Borbély was the first panelist to make a statement and shared that he found it surprising that there were so many engaged and visionary people are in the room, stating that everyone present are all leaders and visionaries of SDGs. For him, the challenge centers on how to practically put this holistic perspective in place, and how to convince politicians, in particular.

There needs to be a strategy for the 2030 Agenda in each country, as well as an inter-institutional framework and a comprehensive approach for coherent implementation at the national, regional, and European level. He also mentioned that a new EU strategy for the 2030 Agenda would also be helpful in implementation.

Ingeborg Niestroy followed and introduced herself and her specific stakeholder stance, as she is between the science and policy world. She is now based at the IASS and is at SDG Watch Europe. From the CSO perspective, she shared that waste is among the issues for concern, stating that zero waste is possible to achieve and that there is a lot of good practice around. She thought that a meta-governance approach for waste should be used, as bans are needed, because information is not enough to affect the necessary changes. She also stated that there is a need for social innovation, and that this is underrepresented in the scientific world.

Cillian Lohan began his intervention by discussing the importance of networks and stressing that countries setting up national networks is crucial to successfully implementing the 2030 Agenda and the SDGs. Even though the 2030 Agenda comes from the UN, the national implementation of it needs to be done at the lower levels of government and with all stakeholders.

He also touched upon the fact that the public still lacks recognition of the SDGs, and cautioned the sustainable development community against living in a bubble. It is encouraging to hear examples from the morning that there is awareness raising and outreach happening in many countries that are trying to connect people and stakeholders to the 2030 Agenda and the SDGs.

James Gomme began by stating that sustainable development can be achieved and that different sectors should be energized, such as by using the connections between governments and business experiences to find more sustainable development related pathways. A challenge is the filtering down of the SDGs to different sectors without the different sectors hindering one another in their individual activities.

He then transitioned to discussing transformation and said that transformation language is everywhere, but that the importance in it comes from what the term actually means, as it can get lost in translation depending on the different sectors and actors. For businesses, it would be the need to be aligned more with the policy world and transforming the dialogue between the two actors, as this is important in driving transformative change.

Aleksanteri Kekonen referred back to Eeva Furman's presentation about the four levers to employ for meeting the SDGs and mentioned the need for strong governance in the form of taxation, investments and leadership, as well as to make sustainable development goods and services available. This will necessitate changes in the way in which business is done, as well as budgetary alignment with the SDGs.

At the European level, Aleksanteri Kekonen stated that European cooperation is of great importance, as the SDGs can only be met when there is strong cooperation within Europe, such as a common strategy to show were Europe needs to go and not slow down.

Jasmin Miah began by mentioning the four areas in which Europe is moving in the wrong direction. While it is great, what countries are doing and what has been achieved so far, she stressed that it is not nearly enough and that it needs to be acknowledged by everyone that time is running out to act to reach the SDGs. Action, therefore, needs to be done effectively and soon.

Jasmin Miah also focused on the city level, as she had not heard anyone really mention cities and their role in implementing the 2030 Agenda and the SDGs. From her point of view, the vertical integration work that has been done so far has not been adequate in taking into account the city level. As nearly 2/3 of the SDGs need cities to be successful in implementation and reaching the SDGs, more support is needed at the European level for cities.

Daniel Dubas then asked panelists about the implementation process and if they had any examples from their respective fields of when they achieved a success.

Cillian Lohan answered this question first and focused on the EESC's work on Circular Economy as a policy instrument for tangibly achieving the SDGs. The EESC is home of CSOs, especially those focusing on the Circular Economy and together they launched the Circular Economy Stakeholder Platform, which has been a big success, as it encourages networking and has physical meetings. The meetings also bring together businesses, local governments, consumers, etc., and provides them with a space for exchange and dialogue between different stakeholder groups. This is a good model of how a platform can work and support the implementation of European Commission policy, such as the Circular Economy Package.

László Borbély answered that the new NSDS in Romania was a success, as more than 2,000 people met to discuss it and the outreach was wide. The feedback that people gave was positive and the use of a positive approach and positive outlook on the future were very important in that outreach. From the € 5 million EU funding that Romania has received to implement the SDGs, Romania has spent 1/3 of it on communication and outreach.

Ingeborg Niestroy focused on science and science platforms and the role they must play in advancing sustainable development and the need for science to transform, such as becoming more interdisciplinary, getting stakeholders more involved in the design of research through co-design and co-creation. This is referred to often, but rarely done in practice. The German Science Platform should be advancing in this direction and achieve more scientific influence. Incentives of the scientific world are different, such as the number of published papers, etc., but cooperation and coordination with science is needed nevertheless.

James Gomme mentioned that through collaboration, real progress is made and used the example of the Food and Land Use Coalition, which draws on science and on the global food system and attempt to find a more clear definition of the food system and identify where transformation needs to take place and the role of the different actors.

Q&A

The first question from the audience was addressed to Jasmin Miah regarding her statement that 2/3 of the SDGs need cities in order to be achieved.

Jasmin Miah answered that Scandinavian cities are very far ahead and there are good examples. She clarified that when looking at the SDGs, most of them cannot be achieved when cities are not involved, since most people in the world live in urban areas, which is critical to making many changes that address the SDGs.

The second question from the audience focused on what could be done to generate political will and "moon shots".

László Borbély answered this question and shared that Romania achieved strong political commitments and willpower, which can be seen in the creation of the Department for Sustainable Development that was established in the Prime Minister's Office. Romania also has 2 handbooks on the SDGs and the 2030 Agenda.

He also mentioned that he had sent a letter to parliamentary committees and framed the SDGs as a positive approach, which he found to be more crucial than trying to convince politicians as to why something is important and warrants their attention.

Cillian Lohan answered the question by stating that climate and sustainable development issues have been on political agenda for 30 years, and that he is rather negative about political leadership. There is not enough political action to achieve transformation and there is a huge problem with how solutions to achieving the SDGs are being communicated. There needs to be huge investments being made in the SDGs and public-private partnerships to be able to provide viable alternatives to average citizens to contribute to the SDGs. Budget and finances needs to be linked to the SDGs, also investments, including the positive examples and opportunities for the 2030 Agenda.

Session 2: Transformative Rather than Incremental Changes for Sustainable Development – What does it mean in terms of economics and governance for SD?

Session 2 of the Conference looked more towards the economic realities the world faces and how that influences the implementation of the 2030 Agenda and the SDGs. This was also coupled with a look at meta-governance and governance for sustainable development. More specifically, the keynote presentation looked at how different governance mechanisms could be leveraged to meet the challenges posed by the 2030 Agenda and the SDGs. The two keynote presentations were followed by a stakeholder sounding board, in which panelists were asked to reflect on Session 1 and the two keynotes from Session 2. After the sounding board, participants were asked to split into groups for table discussions and asked to discuss their experiences in the implementation of the 2030 Agenda and the SDGs and their links to economic reality and governance issues, identifying important messages and highlights from Day 1 of the Conference. The results were then presented in plenary and clustered into main topic areas. The results of the group discussions and the clustering are provided below. To wrap up Day 1 of the Conference, members of the ESDN Steering Group provided their insights.

Linking SD and the 2030 Agenda to Economic Reality

Joachim Monkelbaan from the Quaker United Nations Office opened Session 2 and held a keynote presentation on linking the 2030 Agenda to economic reality.

He opened his presentation by stating that the SDGs are more like a battle, as he laid out that the world is failing to live up to the Paris Climate Agreement, as emissions continue to rise. In terms of the Circular Economy, it only account for 7% of the economy. However, the Green Deal being developed is good.

When discussing economic, social and environmental realities, it is being seen that capitalism is increasingly coming under question. The world is twice as productive as it was in the 1970s, but wages have actually decreased when adjusted for inflation. He also mentioned that the top richest people own more wealth than the bottom 50% of the entire world population.

Joachim Monkelbaan then mentioned the involvement of government in businesses, and used the comparison of the Nordic countries to the US and how Nordic countries involve government less in business than the US does. However, the Nordic countries couple this with a very strong welfare system.

When it comes to Investments that will be needed for the SDGs, governments cannot deliver this alone, they also need to rely on businesses to invest in the SDGs.

Humans are increasing emissions and the amount they consume, which suggests that there has not been a decoupling of growth from emissions. Joachim Monkelbaan then questioned the pragmatism in thinking SDG 8: Decent Work and Economic Growth will be able to help the other SDGs.

He also put forth the idea that there may be democratic limits to growth, as there are real social boundaries that exist, such as the *jillet jaunes*. It is important to put humans at the center of the SDGs and not to be held back by the economic realities. It is hard to know for certain what this new economy would look like, but big companies are not solely relying on the law of supply and demand anymore, as they have algorithms in place that already predict what one might want to buy next.

Joachim Monkelbaan then transitioned to discussing some behavioral insights into humans, as classical economics makes assumptions, such as people are rational beings, capable of making choices that favor them. However, that is not wholly true, as humans are also emotional and those emotions have an effect on rationality. Keeping people at the center of the SDGs is important and building processes that foster social dialogue and involvement are needed. Europe can shape this new narrative, which appeals to Europe's common values and themes.

Meta-governance for Sustainability: The full toolbox in implementing the SDGs

Louis Meuleman from the UN Committee of Experts on Public Administration gave the next keynote presentation on meta-governance for sustainability and how it can be used to implement the SDGs. A full documentation of the presentation can be found on the <u>ESDN Website</u>.

Louis Meuleman prefaced his presentation by asserting that being able to reach the SDGs has a lot to do with governance and referenced the GSDR, as governance is one of the four levers of transition.

Louis Meuleman, asked the question: What does one do when the governance mix on sustainability transitions does not deliver the right results? His answers to this question are what he based his presentation on:

- See the trends in sustainability / transitions governance
- Use the principles for sustainability governance
- Use a broad governance definition/approach
- Use the full governance toolbox
- Know that governance mechanisms undermine each other
- Find the right contextual balance between different governance styles
- Use meta-governance as method to (re)designing and managing a composite governance framework

He then outlined the key governance principles and their upward and downward trends:

Key governance principle	Upward trends	Downward trends
Effectiveness	Contextuality, pluriformity & diversity, peer learning and twinning; digitization, directional innovation, long-term, system-focused policy packages, financial governance	Blueprint thinking, proliferation of 'best practices', un-directional innovation ('all innovation is good'), short-term policies
Accountability	Sustainability indicators, citizens accounting, result indicators	Detailed performance indicators, output indicators
Inclusiveness	Collaboration, co-creation, empowerment, local government	Patronizing, dependency

He then went into the 11 principles of governance for sustainable development, which are centered on the three principles listed above. He also mentioned that the principles for inclusiveness are the principles that are most often the weakest part of governance for sustainable development:

Effectiveness:

- 1) Competence
- 2) Sound policymaking
- 3) Collaboration

Accountability:

- 4) Integrity
- 5) Transparency
- 6) Independent Oversight

Inclusiveness:

- 7) Leaving no one behind
- 8) Non-discrimination
- 9) Participation
- 10) Subsidiarity
- 11) Intergenerational equity

One thing to keep in mind about governance is that it will inevitably fail. There are three types of governance failure related to: capacity, design and management of governance. Each particular style of governance, hierarchical, network, and market, will have their own specific weaknesses. It is also important to keep in mind that the different styles will undermine one another.

Feature	Hierarchical governance	Network governance	Market governance
48. Typical governance failures	Ineffectiveness; red tape	Never-ending talks, no decision, undemocratic	Economic inefficiency, market failures, efficiency killing effectiveness

Root causes of governance failure include:

- Ineffective coordination among local, regional and national authorities;
- Lack of administrative capacity, and insufficient financing;
- Lack of knowledge and data;
- Insufficient compliance assurance mechanisms; or
- Lack of integration and policy coherence (horizontal/vertical).

For more information on the other suggestions that Louis Meuleman presented during his keynote, please consult his PowerPoint on the ESDN Website.

Q&A

The first question from the audience centered on the interlinkages between politics and governance and the actions that could be taken towards the public.

Louis Meuleman answered this question and said that governance is about polity and the institutions and it is about how one organizes these mechanisms. A part of designing governance mechanisms

should take into account the political realities and keep in mind that the state of things changes all the time.

The second question was in relation to the democratic limits to green growth and the audience member asked Joachim Monkelbaan whether de-growth or a similar approach has less value than green growth.

Joachim Monkelbaan answered that the discussion about de-growth will not go far, because when one talks about de-growth, one is still talking about growth. Politicians are also unable or unwilling to step away from economic growth, as it is a basis of all policies.

Another question was in regards to global governance for sustainable development and how that can be used to trigger political willpower for the SDGs.

Louis Meuleman answered this question, stating that the big challenge is getting the ministry of finance involved in all countries. That should be the priority, and not discussing environmental issues in a separate event.

One audience member made the statement that there is a discussion to reduce the 17 SDGs to narratives and asked a follow-up question regarding the simplification of the SDGs and whether that could be framed as a governance issue.

Louis Meuleman answered, and shared that he thought the SDGs should not be diluted. Governments should build the mechanisms to deal with the complexities that the SDGs introduce.

Joachim Monkelbaan also answered that it is fine if entry points stay as entry points to get people and stakeholders onboard, but suggested that broad education that introduces the SDGs would be needed.

One audience member asked, "What does one do if there is no mobilization?

Louis Meuleman answered that there would need to be a mobilization and if government is not able to perform this, then one would have to start elsewhere, such as with entrepreneurs.

Joachim Monkelbaan also agreed and added that if things are chaotic, then one has to try out new things to see what works and what does not work.

Stakeholder Sounding Board

The second stakeholder sounding board was chaired by **André Martinuzzi**, who is Head of the Institute for Managing Sustainability at the Vienna University of Economics and Business & Coordinator of the FSDN Office.

The panelists were:

- Hanna Sarkkinen, Member of the Finnish Parliament;
- **Stefan Bauernfeind**, Head of the Division Sustainable Development at the German Federal Chancellery;
- Sarah Bentz, Council of European Municipalities and Regions & PLATFORMA; and
- Rilli Lappalainen, Director, FINGO (Finnish NGO Platform for global development).

André Martinuzzi began by asking all the panelists what the most inspiring or important take away from the day for them was.

Hanna Sarkkinen began by saying that as a politician, she came right before her presentation on stage, so missed much of what happened during the earlier part of the day. However, she continued by stating that the economy of man is based on the economy of nature and that the economy of nature sets limits on the economy of man, but that the economy of man does not respect the boundaries of nature, which is evidenced by the massive overshoots the world is facing in many fields. It is important when talking about economic policies that economies have to be adjusted to fit the boundaries of nature. The SDGs are included in this and should not only be included on paper, but within administrations.

However, the governance within the EU does not see these interlinkages, as the different policy areas are not coherent. One problem that Hanna Sarkkinen identified was that we do not measure the things we want: We want less pollution, less emissions, less detriment to the environment. However, we base our economies on GDP and how much economic growth we have, which does not necessarily represent the things we want.

She also stressed the importance of measuring, as the things that are measured are the things we end up getting. Measuring also helps provide the tools and guidance necessary to inform political decisions, especially in guiding the economy more towards the things we want. Measuring is also important. What we measure is what we get.

She also touched upon the fact that wealth is increasingly concentrated in the hands of the wealthy.

The role of governments and politics is crucial. It is important to talk about how budgets work and the ministries of environment need to tell other ministries how much they pollute. Guiding principles in economic planning are also needed.

André Martinuzzi asked the follow-up question, "What are the forces or barriers that stand against these needs?"

Hanna Sarkkinen answered that the business as usual thinking is a barrier, because there are winners and losers. Some industries would lose in the SDGs, e.g. wealth distribution. We have to be very realistic about that. Many of us will have to change our lifestyles. For political decision-makers: we need to look far into the future and make decisions now, but also be mindful of election styles.

Stefan Bauernfeind also answered that, "We are living in times when the time runs out". We have to change some things now. Germany is trying to do more with societal actors. This is important in getting ahead. Only 80% of people in Germany know about sustainable development and only 20% know about the SDGs.

He also shared that the SDGs are the operating system of sustainable development. Therefore, if one implements the SDGs, it should be systematic and not erratic. When looking at the different levels of government, it is better for everyone to know where they must go, because if one does not know, then one is already lost.

André Martinuzzi stated that Germans are very good at "fixing things". Is "not fixing things" an issue for policy?

Stefan Bauernfeind answered that reality is very complex. As he sees it, sustainable development is a way of working and it is not a fixed things. Germany, however, tries to find a procedure that works within the government. There are many things the government has not solved, but a systematic process is important.

Sarah Bentz spoke next about the interlinkages between the SDGs and the transversality of the SDGs. This is an important way for us to move past the silos and create new partnerships, local and regional governments. This is not being done at the European or national level. The EU can rebrand itself and keep its citizens at the heart. 2/3 of SDGs are being done at the local level. The Agenda is transformative and needs change at all levels. Global problems need local actions and are not some fairytale, but a local reality.

André Martinuzzi then stated that there are three governance mechanisms, but, at the same time, networks are complex. He then asked, "Where is the limit of co-creation?"

Sarah Bentz answered that there must be a limit. There are examples of good co creation, such as Mannheim, where they created their Sustainable Development Strategy based on co-creation and all stakeholders feel accountable and feel a sense of ownership of the strategy.

Rilli Lappalainen also added, from the NGO perspective, that NGOs will do things without the government and that it is good for everyone to keep that in mind.

When it comes to co-creation, we also used co-creation to discuss the current world economic model. We all have different roles to play. We bring together different people and co-creating things together allows them to bring what they want from their particular experiences.

André Martinuzzi asked two follow-up questions. One was concerning how well organized civil society is, as well as whether we co-create with whomever comes.

Rilli Lappalainen answered that they are also debating that and what it means to be a CSO. It is necessary to organize and be more effective. However, not everything can be fixed. We need also unorganized civil society. We need both.

Q & A

The first question to the panelists was on upscaling action around sustainable development and the SDGs. The audience member asked, "Do we have enough attention for those areas that need to be downscaled and the stakeholders affected by that? How do we deal with that?"

The answer came from **Eeva Furman** in the audience, who said that this is a rising issue. How do you do a just transformation? Philosophers can put it in a frame. There are businesses and CSOs. These projects are created through co-creation.

André Martinuzzi answered with an example from Austria from about 15 years ago when labor based taxes were to be done away with and a VAT added. What happened is that the losers knew they were going to lose and they were well organized. The winners did not know they were winners and were not well organized.

Stefan Bauernfeind also responded to the question and used the phasing out of coal as an example. He shared that if one is going to make a transformative change, one needs to speak with the losers. This is a very important part of co-creation and co-creating policies. Bigger is not always better and small is not always more beautiful. There is a certain 'Goldilocks Syndrome' in order to have an impact on society.

Hanna Sarkkinen reflected on the losers, because they are often the poorest people and they cannot be the losers. Climate policies need to be connected to strong social policies and the distribution of wealth and income. This can also take the form of re-educating people who lose their jobs due to

downscaling. Shifting our behavior from consumption to things that make us happy and able to lead good lives. The Economy of Wellbeing aims for that.

Results: Participant Table Discussions

Following the keynote discussions in Sessions 1 and 2, as well as the stakeholder sounding board, participants were asked to form small groups of 6-8 people around their tables. Once groups were formed, participants were asked to discuss their experiences in the implementation of the 2030 Agenda and the SDGs and their links to economic reality and governance issues, identifying important messages and highlights from Day 1 of the Conference.

Each table was given colored moderation cards, so that they could write down the main points of their table's discussions. After groups had discussed for 30 minutes, they were asked to share their group results with the other groups.

Based on the results of the group work, the ESDN Office and Conference Moderator were able to cluster the results from the table discussion around six different themes:

- 1. People and Society;
- 2. Research and Measurement;
- 3. Money (budgeting and finance);
- 4. Strategy;
- 5. Politics; and
- 6. Re-thinking.

The results from the group table discussions for **people and society** had the following answers:

- Need inclusiveness of society in Agenda 2030;
- Social divide (people are left behind);
- Communication, consensus, commitment, coherence;
- Solution: make people aware of costs of non-intervention;
- Populism;
- Social transition;
- Language: elite vs. majority of the population;
- Sustainable development commitments by the societal actors (Finland);
- Use Citizen conference on the Future of Europe for Agenda 2030 engagement;
- Education for sustainable development at all levels and start it early;
- We let societal momentum for sustainable development go to waste;
- (Simple) communication leads to inspiring and positive narrative; and
- Improve interaction of EU Member States and all organizations and communicate to citizens.

The results from the group table discussions for <u>research and measurement</u> had the following answers:

- Inventory (where are we) and Opportunities (what if and what if not);
- (social) complementary indicators are there, but not used or not mainstreamed;
- Behavioral insights;
- Concern: issue of ranking that creates competition rather than cooperation. Solution: awarding and sharing; and
- Research for SDGs.

The results from the group table discussions for **money (budgeting and finance)** had the following answers:

- Transparent budgeting;
- Mobilize public and private financing for the SDGs;
- Link diversified indicators to budget planning and budget reporting;
- There is a lack of resources: and
- Multiannual Financial Framework within SDGs and the money you spend feeds the real priorities.

The results from the group table discussions for **strategy** had the following answers:

- Strategic approach and ambitious quantified targets;
- Strategic framing for SDG implementation with 2030 targets and review indicator set;
- There is no strong EU strategy on the SDGs;
- EU Sustainable Development Strategy is needed for the SDGs;
- Leverage existing EU tools and mechanisms for the SDGs (budget, data, etc.);
- Review European Semester to make best use for the SDGs;
- Renew and improve the mandate of the Multi-Stakeholder Platform; and
- Integrating existing policies, also

The results from the group table discussions for **politics** had the following answers:

- Long-term need vs. political;
- Raised issues: leadership, political commitments → social movements/networks → leadership;
- Silo thinking;
- Lead responsibility with Commission President;
- There are only 10 left for a very broad and deep Agenda; and
- Focus exclusively on domestic implementation and forget about negative spillovers.

The results from the group table discussions for **re-thinking** had the following answers:

- (rigid) traditional economic thinking;
- Reintroduce broader understanding of (economic) assets;
- Debate on new, more sustainable economy;
- Economy still seen as the end goal, rather than means (predominantly);
- Combine overall SDG Agenda with targeted actions (e.g. Green New Deal);
- Ministry of Finance needs to become Ministry of Sustainable Finance or Ministry of Prosperity;
- Translate entry points to what they mean politically and economically; and
- Set up platforms for science to play the major role (and to transform itself).

Impressions from the ESDN on Day 1

In closing the first day of the ESDN Conference, members of the ESDN Steering Group were invited onto the stage to share with the audience their impressions from Day 1 of the Conference.

Mara Cossu from the Italian Ministry for Environment, Land and Sea and Jörg Mayer-Ries from the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety both took the stage to give their feedback.

Mara Cossu began by thanking everyone for the fruitful discussions that had been going on throughout the day. She then focused on some of the key points she gathered throughout the day regarding the EU level and budgeting for the SDGs. She believes that the ESDN can improve collaboration with the EU and help support the incoming European Commission with implementing the SDGs.

She shared that these processes for implementation are often slow, because engagement is low. She suggested that as policymakers and experts in sustainable development, it falls to us to communicate better, build positive narratives and deal with urgency, but also realize it takes time to build these narratives. These narratives could be built using scenarios about what could happen and that using the entry points are crucial. Such entry points can be useful, especially if they are used to reach stakeholders.

Jörg Mayer-Ries shared two points. The first point was in relation to economic and financial thinking becoming more prevalent in the sustainable development and SDG debate and that budgetary planning is crosscutting.

The second point was that there is a problem with democracy and the democratic process and the interplay and organization of sustainability and democracy. He raised the question of how sustainability and democracy can be further organized.

Session 3: Key Challenges for Europe in Reaching the SDGs and 2030 Agenda

Session 3 of the Conference focused on the challenges for Europe in reaching the SDGs. The session had two keynote speakers that focused on this topic. One speaker was the Prime Minister of Finland, who drew from Finland's experiences, including successes and challenges, in implementing the 2030 Agenda and the SDGs. The other keynote speaker discussed the Sustainable Development Solutions Network's 2019 Sustainable Development Report, which shows Europe's progress towards achieving the SDGs. The keynote presentations were then followed by four presentations relating to the key themes in Agenda 2030 implementation. The four presenters gave brief presentations about their specific key theme. Once the presentations were concluded, participants were asked to join the topic they most wanted to discuss more in-depth. Each key theme had 2-3 subthemes from which participants could choose. The results of the discussions are presented after the individual key theme presentations. Session 3 then concluded with a keynote presentation about the way forward in further implementing the 2030 Agenda and the SDGs.

SDG Index 2019 and Key Challenges for Europe

Guillaume Lafortune from the Sustainable Development Solutions Network (SDSN) opened up Session 3 on the second day of the ESDN Conference by discussing the SDSN's 2019 Sustainable Development Report (SDR). A full documentation of his presentation can be found on the ESDN Website.

The SDR measured the distance to pre-defined targets by using 113 indicators, which consisted of official and non-official statistics. The Report looked at the European Union and the EU Member States. The Report also made use of three rounds of formal public consultations, as well as informal consultations with the European Commission, members of European Parliament and CSOs.

Looking at the SDG Dashboard provided in the Report, there is a clear picture of where specific European countries stand with respect to their SDG achievements on specific SDGs, grouping them into four categories: 1) goal achievement (green); 2) challenges remain; 3) significant challenges; and 4) major challenges. Guillaume highlighted some areas in which European countries are facing issues and disparities in progress between Northern and Western Europe compared with Southern and Eastern Europe, such as with SDG 9: Industry, Innovation and Infrastructure. Europe, overall, seems to be severely off track in reaching the SDGs when it comes to SDG 12: Responsible Consumption and Production; SDG 13: Climate Action; SDG 14: Life Below Water; and SDG 15: Life on Land. However, these are only based on preliminary results and should not necessarily be cited or attributed.

Another important point and aspect of the Report that Guillaume Lafortune brought up was the issue of international spillover effects, where different countries are compared regarding the average of their spillover effects and their GDP per capita in purchasing power parity. He then used Finland as an example and selected Green House Gas emissions through trade as the negative spillover category. The dashboard showed that Finland has relatively high spillover effects on China and Russia when it comes to the Green House Gas emission from trade.

Guillaume Lafortune also brought up the six transformations that Eeva Furman mentioned on day 1 as being necessary for meeting the SDGs.

He also highlighted three key instruments the EU could use to progress further towards reaching the SDGs: 1) the Multi Annual Financial Framework (MFF); 2) the European Semester; and 3) SDG Monitoring and Reporting Framework.

Q&A

After Guillaume Lafortune's presentation, the floor was opened up to the audience to ask questions.

One question from the audience asked how the Report reached the six transformations.

Guillaume Lafortune answered that tradeoffs between synergies and goals and that it does not really make sense to have 17 separate strategies for each of the SDGs.

The next question from an audience member was in relation to the use of rankings.

Guillaume Lafortune answered that flagging data gaps is also important and useful. Rankings are fine, but the report is extensive and people should look past the rankings.

Another question that was asked was in regards to the quality of non-official data.

Guillaume Lafortune answered that peer reviewed literature was used, and mentioned that the researchers needed to trust that what is published in peer reviewed literature is good. Research does not have the finances to track these changes in SDGs or indicators over a longer period.

Key Challenges and Important Activities to Achieve the SDGs

The Prime Minister of Finland, **Antti Rinne**, closed Session 3 by discussing the challenges and important activities to achieve the SDGs.

He began his keynote speech by highlighting the importance the ESDN has in developing sustainable development solutions across all of Europe, where Finland has been an active member since the beginning. He also hoped the Conference left everyone with many ideas to take back to their home institutions and organizations.

He also stressed that 2030 is only 10 years away, which does not leave a lot of time by which to achieve the 2030 Agenda and the SDGs. In Finland, they want to transform the country to a sustainable society by 2030. In order to do that the Government has tried to address key sustainable development challenges, and focused on the Finnish Government's Program, which was negotiated with 250 people. He made a point of mentioned that there should be an emission based consumption tax and that the economy should be managed for the people and not the other way around.

With respect to EU level policies, he suggested that in some instance it might be better for national policies to be more ambitious than those being set out by the EU.

The Prime Minister also highlighted some of the challenges that the world is facing and named climate change and biodiversity loss as being important areas that the world needs to do more to address, such as by reduce the carbon footprints of all sectors possible (housing, energy, etc.). Taking measures to expand national parks' network and support agricultural measures that support biodiversity.

Lastly, the Prime Minister focused on trust as being important in Europe, saying that we need to trust that everyone is on board and that no one is left behind and that no government can reach the SDGs alone. There needs to be a whole of society approach: we need everyone. We need to trust in a sustainable future. Without trust, we will not reach the SDGs. Networks, like the ESDN, are important in this respect.

Key Themes for Europe in the Implementation of the 2030 Agenda/SDGs

The four key themes that were discussed and presented on were: 1) Circular Economy; 2) Economy of Wellbeing; 3) Sustainable Finance, Reporting and their Role in Achieving the SDGs; and 4) Global Responsibility. In each of the four key themes that were discussed, presenters were asked to provide subthemes to each key theme. They subthemes can be found in the presentations below, as well as in the group work that took place after the presentations.

All four of the presenters for this session held their presentations one after the other. This allowed participants a more in-depth look into the key theme, as well as allowed the presenters to introduce their sub-themes, which would then be discussed at the tables. Participants were then asked to make a decision based on the presentations and their interests in the four different topic areas and join a key theme for an hour worth of discussions. Some key themes made use of only one sub-theme (sustainable finance), so they discussed for one hour on their sub-there, whereas other key themes (circular economy and economy of wellbeing) discussed two topics, each for 30 minutes before the groups switched. The key theme of global responsibility made use of all three sub-themes and discussed them for 20 minutes each, before the groups rotated. All of the results from the different groups for the different topics and sub-topics are presented after the presentations.

Circular Economy

Leena-Kaisa Piekkari, a specialist on Circular Economy from the Finnish Innovation Fund (Sitra) discussed the key theme of the Circular Economy. Her PowerPoint presentation can be found on the ESDN Website.

She began her presentation with the fact that humankind currently consumes the resources of nearly four planet Earths. Circular Economy is an economic model that does not consistently produce more goods; instead, consumption is based on the use of services rather than ownership: sharing, renting and recycling. In the end, materials are not wasted, but new products are produced from them repeatedly. The transition to circularity is an opportunity to improve quality of life holistically, not just in terms of economic growth, work, GDP and absolute poverty. For example, the reuse of steel, plastic, concrete and aluminum in line with circular economy principles can reduce the greenhouse gas emissions originating from heavy industry in the EU by 56% by the year 2050.

Many of the SDGs are relevant, concrete goals for Circular Economy to tackle and several studies exist on these linkages. Many countries, cities or organizations take Agenda 2030 as a general strategic framework and define Circular Economy as a tool for achieving some of SDGs.

The two subtopics of Circular Economy that Leena-Kaisa Piekkari chose to focus on were: 1) Mobility as a service, and 2) Sustainable textile production and fashion. The results of these two discussions can be found below. The results are presented as two different groups, since participants rotated between the two subtopics after 30 minutes.

Circular Economy: Mobility as a service			
Question Group 1 Group 2			
How does the sub-theme support	• SDG 4	• SDG 5	
the 2030 Agenda/SDGs (please	• SDG 7	• SDG 11	
use examples)?	• SDG 9	Inter-module mobility	
	• SDG 11	 Autonomous driving? 	
	• SDG 12		

What policy support is needed to develop the sub-theme further?	 SDG 13 SDG 17 Technology Product and service design Incentives Change of mindset and behavior Best practices City planning/walkability 	 Strengthening of public transportation Intelligent bike/car sharing (individual cars to be replaced) City planning/reducing distances More home office work More virtual communication Socio-ecological taxation challenges
What stakeholder groups are important and what would be their role?	 Ordinary people Industry Research and technology institutions Start-ups NGOs 	Rural areasTourismDelivery servicesFreight

Circular Economy: Sustainable textile production and fashion			
Question	Group 1	Group 2	
How does the sub-theme support the 2030 Agenda/SDGs (please use examples)?	 Textile Pact / Green Button initiative in Germany SDG 2 SDG 3 SDG 4 SDG 5 SDG 8 SDG 10 SDG 12 SDG 13 SDG 14 SDG 15 	-	
What policy support is needed to develop the sub-theme further?	 Green labelling system Company/Product level "environmental product declaration" Taxation system Incentives for new technologies (sustainable agriculture, materials, etc.) Differentiate collection system 	 Awareness raising CSR to produce liability Internalize external costs Finance / taxation / stop sales New technologies New business models Education 	
What stakeholder groups are important and what would be their role?	 Producing countries Consumers (reduce/rent) Designers Fashion companies Sharing start ups Retailers Industrial textiles 	 Collectors Textile recyclers Second-hand shops Innovators Youth / education 	

Economy of Wellbeing

Ulla Rosenström from the Finnish Prime Minister's Office presented next on the Economy of Wellbeing. Her PowerPoint presentation can also be found on the <u>ESDN Website</u>.

The Economy of Wellbeing is a policy orientation and governance approach, which aims to put people and their wellbeing at the center of policy and decision-making. Finland's Presidency of the Council of the European Union wants EU decision-makers to recognize that wellbeing of people is a prerequisite for economic growth and social and economic stability. There is a need to identify the importance of policies and schemes that promote people's wellbeing to achieve sustainable economic growth and stability. It is essential that decision-makers in the EU and the EU Member States collaborate horizontally across policies.

She then went on to describe the four channels for activating this cycle:

- 1. Heath care;
- 2. Education and skills;
- 3. Gender equality; and
- 4. Social protection.

Different lenses, such as climate change, were used to look at these four channels and access points.

In closing, Ulla Rosenström mentioned that she would discuss the two sub-themes of building synergies between the frameworks and how to use the four pillars in efforts to make climate change actions more acceptable by people.

Economy of Wellbeing: How to build synergies between the frameworks			
Question	Group 1	Group 2	
How does the sub-theme support the 2030 Agenda/SDGs (please use examples)?	 Enhancing quality of life Integrating the 3 dimensions of sustainable development Synergies with policies and SDGs (climate policies and improve health) Ownership Planet and people focus Reshaping economy 	Economy of Wellbeing is a valuable entry point to ownership in implementing the 2030 Agenda and in launching the dialogue with other stakeholders on holistic nature of sustainable development.	
What policy support is needed to develop the sub-theme further?	 Institutional coordination Awareness raising Communication Policies should integrate well-being aspects Developing quality indicators Channel resources 	Increasing the understanding on the interlinkages between the SDGs and targets.	
What stakeholder groups are important and what would be their role?	 State institutions NGOs Employers Local level Communication experts 	 Social partners Business Trade unions Sustainable development experts and environmental actors 	

Economy of Wellbeing: How to use the four pillars in efforts to make			
climate char	ige actions more acceptable by people		
Question	Group 1		
How does the sub-theme support the 2030 Agenda/SDGs (please use examples)?	 It needs to integrate the 3 dimensions of sustainable development Preventive action support Just transition → winners and losers that already exist and if there is inaction (business as usual) Promote gender equality to increase resilience, supports European pillar of social rights → capitalizing on women potential 		
What policy support is needed to	Invest in:		
develop the sub-theme further?	 Links between health and climate should become more visible in costs → Economic incentives (taxes, etc.) for natural resources and → show how costly the old system is Life-long learning, retraining, new ways to think and work more flexibly → education for sustainable development, global citizenship, and economics (doughnut economics) New skills and knowledge 		
What stakeholder groups are important and what would be their role?	 Health insurance companies Employers Financial institutions Farmers Regions (and the people in them) that will suffer Young people Just transition network (OECD) → input: education, skills and social security. Output: health and gender equality. 		

Sustainable Finance, Reporting and Their Role in Achieving the SDGs

Yvonne Zwick from the German Council for Sustainable Development gave the next presentation on sustainable finance and discussed the German Sustainability Code. The transcript of her presentation can be found below.

She began her presentation by asking the question, "How can we activate Sustainable Finance and use the means of reporting and transparency to get the aspired goal of reaching the targets of the Agenda 2030?"

On European level, we observe the technical discussion about a taxonomy for climate friendly investments to be currently blocked. Is nuclear power climate friendly? Yes or no? This is what happens, if you start a discussion on sustainable finance with focus on CO2, which does not reflect all environmental issues nor the four dimensions of sustainable finance: including the long term economic, the social and the governance perspective in parallel. It should make us nervous, if at such an early stage discussions become difficult.

Sustainable Finance is key to achieving the SDGs. We need a lot of money to reach the targets. We face an investment gap of 180 and even 270 billion € p.a. in Europe. These are investment and business opportunities, which European policy makers and administrations can empower with an enhancing framework.

She then shared her observations on the topic of sustainable finance and how the EU Action Plan is affecting discussions in Germany.

Three years ago, the German Council for Sustainable Development began working on the topic of sustainable finance, as the Council's members had the impression that Germany will soon be facing

new market bubbles (e.g. carbon, the real estate sector). The German Government would need support in finding their role concerning a whole package of ideas for regulation on Sustainable Finance.

At that time, a High-Level Expert Group at the EU level was working out propositions for regulatory initiatives — these we now know as the EU Action Plan Sustainable Finance. This plan consists of ten regulatory proposals, which very likely will change the regulatory framework for finance and banking fundamentally over the next two years.

Some highlights to mention are:

- an EU sustainability taxonomy, initially for only climate criteria, with the rest (social and governance) to follow at a late date; publication of the next draft was postponed to 2021, as debate on whether nuclear power is sustainable or not is ongoing;
- developing standards and labels and a sustainability benchmark;
- fostering sustainable corporate governance, transparency and reporting; and
- embedding ESG in fiduciary duty and customer communication (with MiFiD II).

This year, the German Federal Government institutionalized stakeholder dialogue by forming a Sustainable Finance Committee, organized by the German Federal Ministry of Finance and the Federal Ministry for the Environment, and is supported by the Federal Ministry for Economic Affairs. This committee needs a productive, credible and results-driven governance system for the dialogue. To date, we see a higher interest by stakeholders to become involved and to invest, than willingness by the government, to commit itself and provide the adequate means in order to equip the Sustainable Finance Committee.

Transparency and stakeholder dialogue is key, if you want to create robust partnerships. Not for show, not just once a year, but in substance and regularly. Transparency and commitment is key to raising acceptance. We learned, that top-down needs a bottom-up approach and vice versa, if they were to be successful.

The HLEG set the transparency benchmark for the Sustainable Finance Committee in publishing all relevant protocols online. By doing this, each and every stakeholder had full transparency, which is something that would be nice to see in Germany as well. Therefore, the German Council for Sustainable Development offers their Hub for Sustainable Finance Website for a friendly takeover by the German Federal Government.

Market actors, however, are now waiting on regulation and a taxonomy – as if there would not be the knowledge and applicable standards yet. They feel overregulated, are waiting to see what will happen and if what was announced by the European Commission will actually be implemented. Maybe some do hope, that it won't come. The old-style lobbyists are in part abdicating along with the slowest actors, who are still neglecting the relevance of systemic risks in portfolios and credit management.

A growing number, however, are interested and curious. To some extent, these actors are already taking action, as they see the urgency of raising capacities for dealing with these issues. Those are the ones, who should be prior dialogue partners for the:

- Green New Deal: and in the
- Multi-stakeholder platform on Sustainable Finance.

The Sustainability Code, a project facilitated by the RNE for seven years now, has four areas and 20 criteria. It is simple, easy to adopt, and pose no costs, and they advertise for comparable company data based on international standards.

The national implementation act of the CSR Directive clearly boosted the Sustainability Code's relevance and application levels, above all among companies just starting the journey to sustainability management.

Financial market actors (banks, insurance companies, investors) now constitute the sector with the greatest number of Sustainability Code declarations.

Nevertheless, in the reporting itself, we are still not seeing clear climate scenario analysis and reference to the SDGs. The Council will continue to make the connections to other systems and standards, provide webinars on "how to report" in order to raise the level of knowledge on the Code. Third-party assurance allowance given by company reports within the Sustainability Code database will be implemented. In particular, we have learned that accountants' interpretations of the national implementation act are often much less ambitious with regards to clarifying which issues need to be considered relevant or even what a risk should be.

So what is a risk? Well, a risk is when you define a quantifiable, measurable target to be achieved within a specific timeframe and you are in danger of failing.

How, then, could both policy fields boost achievement of the SDGs?

Having developed the Sustainability Code as an answer to the last financial crisis with the aim of enhancing transparency on a broader range of elements that make up a company's value, the Code is now returning full circle to the sector that asked for assistance in the very beginning.

The Code provides prospective reporting looking into the future. The Code orients focus on the opportunities and risks of EESG and thus is an appropriate answer to many regulatory proposals within the EU Action Plan.

Both policy fields can boost achievement of the SDGs if we truly apply them as the guiding star for sustainable finance and business. I have been personally astonished in our stakeholder dialogues over the last five years at how well the SDGs were received in the business sector on an entrepreneurial level — even in the financial sector. My impression is that the private sector is looking for its point of entry, a platform for making companies' contributions through capital expenditure, loans and business activities in global supply networks visible. It would be more than helpful if the administration could support this resonance by:

- implementing stringent, SDG-oriented budget planning and federal spending; and
- using the full range of political instruments (not just regulatory measures) to strengthen the perception that the SDGs are taken seriously.

The Sustainability Code is an open data Platform for ESG. In order to set the system on international level, we cooperate with the FinTech Arabesque S-Ray in order to create an easy access international equivalent.

With doors wide-open, huge interest from Balkan countries, Africa and Asia in applying the Sustainability Code and the support of our partners we will continue to invest into the internationalization.

The sub-topic that was discussed under sustainable finance was open data solutions for ESG. The results are presented below.

Sustainable Finance: Open data solutions for ESG			
Question	Group 1		
How does the sub-theme support the 2030 Agenda/SDGs (please use examples)?	 Supports global spillover effects Clarifies what sustainable business cases nourishing a vision for sustainable economy Delivers mechanism for trustworthy information and thus competition for performance → raising pressure on failing / corrupt states, country rating, state loans 		
What policy support is needed to develop the sub-theme further?	 Further regulation by EU and clear orientation on how to report CKP, issue perspectives (impact and externalities), scopes Benchmark on sustainable investments to be setup 2020 Stakeholder dialogues between real economy, finance and politics → use published data! B2B relations, supply networks and between East, West, South and North → be inclusive! 		
What stakeholder groups are important and what would be their role?	 All stakeholders interested in the information: States, EU, customers, banks, insurers, NGOs Companies should integrity, only publishing true information (long-term goals) → change of mentality through storytelling and reading. Rating Agencies → force them to become transparent. ESMAS: defining risks → national bodies should support 		

Global Responsibility

Kali Taylor from the International Institute for Sustainable Development provided the last presentation in preparation for the group work and table discussions and focused on the key theme of global responsibility. Her PowerPoint presentation can be found on the <u>ESDN Website</u>.

She began her presentation by defining responsibility. Responsibility is defined as:

- 1. the state of being accountable
- 2. a moral obligation to behave correctly towards or in respect of

She then talked about the four SDG paradigms: 1) Indivisibility; 2) Universality; 3) Leave no one behind; and 4) Transformation. She then linked how responsibility fits into each one of these four paradigms. With respect to indivisibility, responsibility comes in the form of being able to understand the links between goals and act in a coherent manner. For universality, it is the responsibility to reinvent the way countries work together and learn from each other. In leaving no one behind, there is the responsibility to consider the most vulnerable first and actively respond to their needs. With transformation, there exists the responsibility to rethink and reinvent current systems, not just incrementally improve on what we have.

These four SDG paradigms fit into the three sub-topics that were later discussed in the table groups. Climate and security encompass indivisibility and leaving no one behind, mutual knowledge/learning encompasses the universality paradigm and technology transfer represents the transformation paradigm.

In preparation for the discussion groups, Kali Taylor provided some questions to start the conversations along the three sub-topics.

Climate and security: indivisibility and leaving no one behind

• Given Europe's history in relation to climate (industrialization), what is its responsibility to act and lead on climate mitigation?

- Instability caused by climate change has very real consequences in Europe, can this help make the case for enhanced responsibility?
- What is Europe's responsibility to consider the impacts of climate mitigation on peace and stability?

Mutual learning: universality

- What is Europe's responsibility in building and promoting more holistic means of international cooperation (North-South, South-South, triangular, regional)?
- How can Europe both learn from and contribute to these new knowledge exchanges?

Technology transfer: transformation

• How can Europe live up to its commitment to equitably transfer technologies that help to create a sound and viable technological base in developing countries?

The results of each of the three sub-topic discussions can be found below.

Global Responsibility: Climate and security			
Question	Group 1	Group 2	Group 3
How does the sub- theme support the 2030 Agenda/SDGs (please use examples)?	Sendai frameworkFood securityMigrationWater security	 Transboundary cooperation regional / local partnerships Climate change = global challenge, linking all stakeholders and all SDGs (SDG 17) 	Perhaps we can reframe the question as "How can the SDGs minimize climate and security?")
What policy support is needed to develop the subtheme further?	 INFRA Migration / Climate refugees → Policies and humanitarian visas? Energy Raw materials 	 Get incentives right to reduce emissions and to save resources Fostering mutual learning and transboundary cooperation Policy coherence between SDGs 	 Resilience and climate adaptation Fulfil climate finance commitments of developed countries and PA Communicating the results of how ODAs are used in developing countries to the taxpayer
What stakeholder groups are important and what would be their role?	-	 All levels of governance Education, R&D, academia → scientific data needed and learning citizens 	 Business and trade (Climate) vulnerable communities Indigenous peoples (controversial actors) military actors Media

Global Responsibility: Mutual learning			
Question	Group 1	Group 2	Group 3
How does the subtheme support the 2030 Agenda/SDGs (please use examples)?	 Partnerships with peers (ex. Decentralized cooperation) Helps to accelerate action 	 Mutual learning can increase the knowledge base on SDGs, build science-policy interface, which can support informed policy 	 Shared innovation Shared good practices Better solution to bigger problems

		/ decision-making on SDG implementation Can support exchange of good practices and learning from mistakes Can increase competitiveness (of countries, cities, political parties, companies, etc.) toward sustainability (race to the top rather than a race to the bottom)	
What policy support is needed to develop the subtheme further?	 A new paradigm that is supported at policy level → a clearer framework to encourage deeper learning Additional financial support and room for experimentation Capacity building and training policymakers 	 Policy coherent strategy on SDGs Policies to strengthen real partnerships and ownership on the spot Transparency of reporting on mutual learning and feedback mechanisms from the recipients 	 Institutional cooperation → builds trust between the parties in order to learn Communication and openness Transparency over glossed pictures
What stakeholder groups are important and what would be their role?	 Local, regional and national governments Business CSO, multi stakeholder partnerships Academia	With support from the UN and the EU all those mentioned from Group 1 plus: • Youth, indigenous peoples (the importance of lay, local, traditional knowledge)	 What Groups 1 and 2 said plus: All the small actors

Global Responsibility: Technology Transfer				
Question	Group 1	Group 2	Group 3	
How does the sub- theme support the 2030 Agenda/SDGs (please use examples)?	Technology transfer may support all SDGs, but at varying intensities, may also have negative impacts if not used appropriately (e.g. technology transfer to the textile industry in Cambodia may lead to large numbers of unemployment. A technology transfer on ITS can reduce transport related emissions in cities) The North can also benefit from	 Not all technology is equally beneficial 	Agreed with Groups 1 and 2	

	southern		
	technologies		
What policy support is needed to develop the subtheme further?	 Building efficient communication channels and mechanisms to identify the technology transfer needs Access to finance Piloting and testing technologies 	 Cost of technology Financing for new technology to be fitted to the specific environment Capacity building Acknowledge traditional knowledge Support for Southern research 	 Create an enabling environment for technology transfer and social innovation for all → enabling ecosystems and cultural backgrounds Support for open data (more open access to technology) Funding to help maintain technology
What stakeholder groups are important and what would be their role?	 Civil society Local government Research Business Should all be involved to address the social, economic and environmental impacts of a technology. 	-	 Private sector Academia, R&D EU and international for a Social innovation!

The Way Forward

Sami Pirkkala, Chair of the EU Council Working Party on 2030 Agenda for Sustainable Development was the last keynote speaker of the ESDN Conference and discussed what he saw as the way forward for Europe and European countries.

He began by suggesting that everyone have a look at recommendations that came out of the Beyond Growth Conference that took place in Helsinki on the two days preceding the ESDN Conference, which can be found on the ESDN Website.

Sami Pirkkala first addressed the topic of spillovers on the EU and country level, saying that the EU and individual countries are aware they are causing these spillovers, but that the understanding of the spillovers is not so well understood.

Regarding budgeting and resource allocation for sustainable development at the EU level, there have been many discussions over the past few years regarding the next Multi Annual Financial Framework. One must also consider the yearly budget of the EU. He mentioned the report by the European Court of Auditors, in which the auditors say the European Commission does not systematically consider the SDGs.

Sami Pirkkala suggested that everyone needs to understand how the budget contributes to the implementation of the SDGs, as well as what everyone needs to understand the themes of sustainable development budgeting. Only once everyone grasps these concepts, do we have a place to begin.

Apart from EU and country level budgeting, Sami Pirkkala mentioned the important role that private financing must play in reaching the SDGs and postulated that it might be even more important than government financing for sustainable development, as the need to move away from unsustainable

business practices to sustainable ones will be key. Having a common understanding on which businesses are sustainable and which are not would is also needed and would be highly beneficial.

The last point that he made was in relation to policy coherence, as there needs to be more attention paid to it. With the incoming European Commission, it has been stated that all Commissioners will be responsible for implementation. However, he raised the issue that this might make implementation more challenging, as this might mean more incoherence because when everyone has responsibility, then no one ends up doing anything (tragedy of the commons). There is also a risk of the Directorate Generals doing work independently of other DGs and being locked in their silos. This should also be avoided.

Moving from reflection to action, Sami Pirkkala suggested that the EU and individual countries set ambitious and time bound targets, as this allows for robust follow-up. Resources, including budgets, should also be allocated to reaching those targets.

Conference Closure

In closing the Conference, Annika Lindblom was joined on stage by Wolfram Tertschnig, Elisabeth Freytag-Rigler, Sami Pirkkala and Daniel Dubas to thank all participants for attending the Conference and sharing their experiences in implementing the 2030 Agenda and the SDGs.

Elisabeth Freytag-Rigler shared that the ESDN is a wonderful network, as it allows civil servants and other experts working on sustainable development and the SDGs to exchange ideas, make friends and find common ground that goes beyond one's home country.

Wolfram Tertschnig then introduced the changes that would be coming to the ESDN for the year 2020 and beyond, having stated that the ESDN would now become an association under Austrian law.

Daniel Dubas then took over to explain how the ESDN being founded as an association would change the ESDN, which will be more of an organization restructuring than anything else. He highlighted that the new steering mechanism in the ESDN would now shift from Wolfram Tertschnig and Elisabeth Freytag-Rigler to Annika Lindblom, who will become President of the ESDN and to the Vice-Presidents, who will be himself, Sami Pirkkala, and Elisabeth Freytag-Rigler.

Daniel Dubas also shared that there would be two different types of members concerning the ESDN Association: 1) Regular Members; and 2) Associate Members. Regular Members consist of those countries/organizations that pay an annual membership fee, which funds the ESDN's activities. This is like the former ESDN Steering Group. The second type of membership, Associate Members, are (i) natural persons or legal entities that are entrusted with the tasks outlined in Article 2 in institutions of public administration at national or sub-national level, or (ii) natural persons and legal entities in or outside public administration that identify themselves with sustainable development and the objectives of the Agenda 2030 adopted by the United Nations and/or are active in parts of the purpose of the Association. Associate members may assess, at their own discretion, whether to support the Association's projects through donations, subsidies or grants. This is much the same as the current Members and Associated Partners.

Daniel Dubas then shared that all current ESDN Members and Associated Partners would soon be receiving a formal invitation to become Associate Members of the ESDN Association. He encouraged everyone to sign the form and continue being a part of the ESDN.

Annika Lindblom then added to this that the ESDN Office would remain at the Institute for Managing Sustainability at the Vienna University of Economics and Business.- She once again thanked everyone for attending and thanked Elisabeth Freytag-Rigler and Wolfram Tertschnig for leading the ESDN over the last 15 years.

