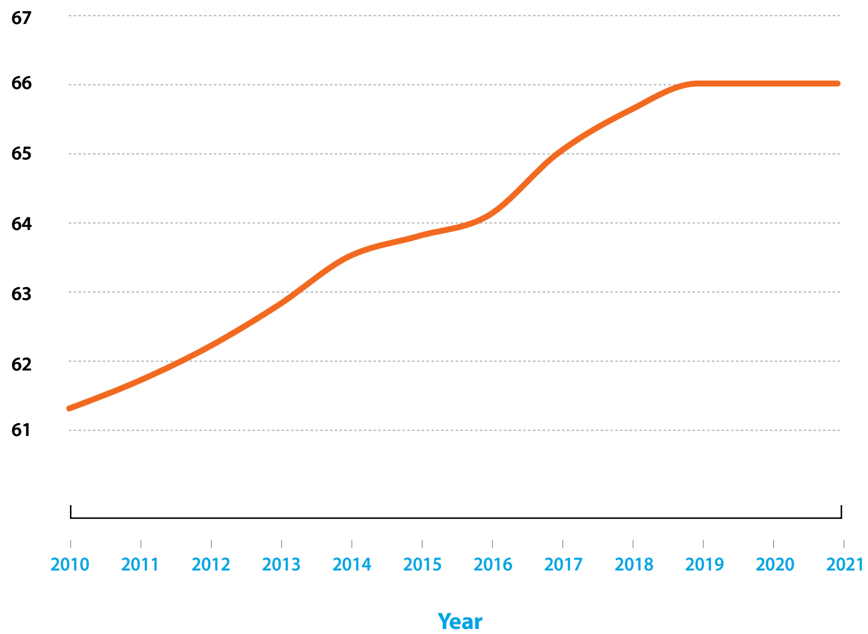
Executive Summary

Peace, diplomacy, and international cooperation are fundamental conditions for the world to progress on the SDGs towards 2030 and beyond. The war in Ukraine and other military conflicts are humanitarian tragedies. They also impact prosperity and social outcomes through the rest of the world, including exacerbating poverty, food insecurity, and access to affordable energy. The climate and biodiversity crises amplify the impact of these crises. At the time of this writing in early May 2022, the outcome of the war in Ukraine and other military conflicts, but also of the health crisis, remain highly uncertain. Yet, it is clear that these multiple and simultaneous crises have diverted policy attention and priorities away from medium and long-term goals such as the SDGs and the Paris Climate Agreement: a shift of focus towards short-term issues that threatens to slow down or even stall the adoption of ambitious and credible national and international plans but also squeezes available international funding for sustainable development. Global cooperation and commitment to the bedrock SDG principles of social inclusion, clean energy, responsible consumption, and universal access to public services are needed more than ever to respond to the major challenges of our times, including security crises, pandemics, and climate change. Despite these difficult times, the SDGs should remain the roadmap for achieving sustainable development by 2030 and beyond.

For the second year in a row, the world is no longer making progress on the SDGs. The average SDG Index score slightly declined in 2021, partly due to slow or nonexistent recovery in poor and vulnerable countries. Multiple and overlapping health and security crises have led to a reversal in SDG progress. Performance on SDG 1 (No Poverty) and SDG 8 (Decent Work and Economic Growth) remains below pre-pandemic levels in many low-income countries (LICs) and lower-middle-income countries (LMICs). This is a major setback, especially considering that before the pandemic, over the period 2015–2019, the world was progressing on the SDGs at a rate of 0.5 points per year (which was also too slow to reach the 2030 deadline), with poorer countries making greater gains than rich countries. Progress on climate and biodiversity goals is also too slow, especially in rich countries. Ahead of the heads of state SDG Summit in 2023, restoring and accelerating SDG progress in all countries, including the poorest and most vulnerable, should be a major priority of recovery plans and reforms to the international development finance system.

SDG Index Score over time, world average (2010–2021)



Source: Authors' analysis. *Note:* Population-weighted average

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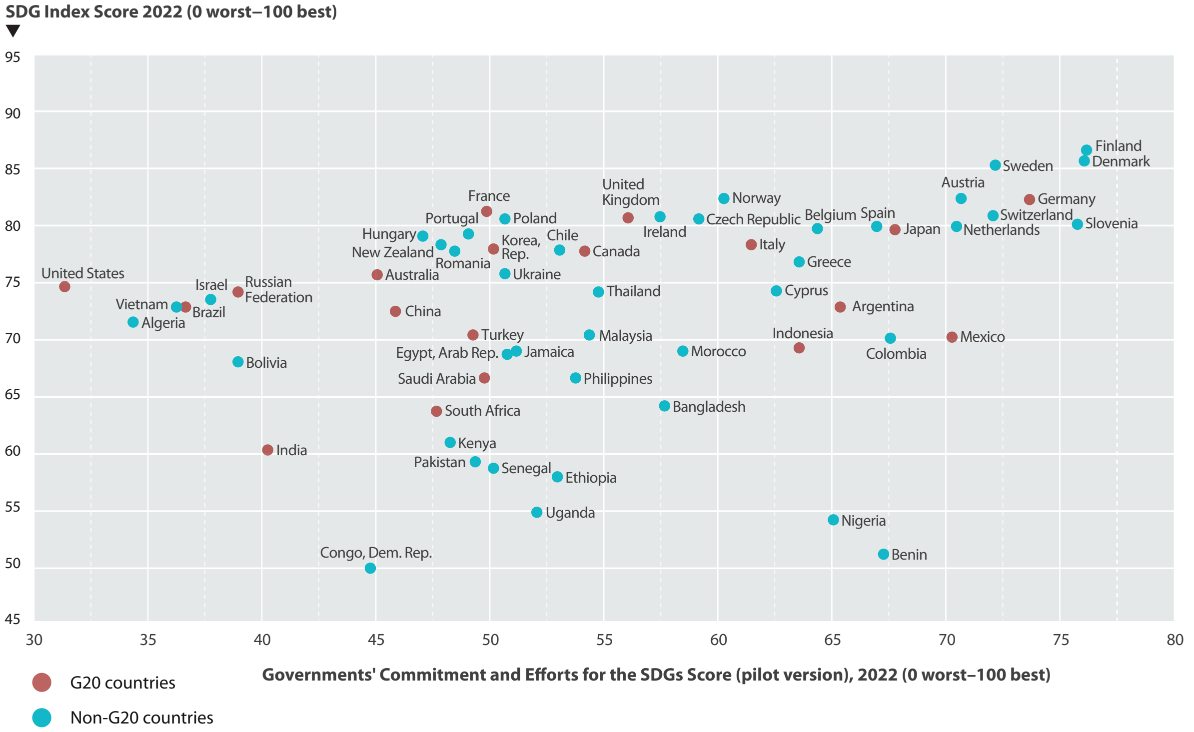
A global plan to finance the SDGs is needed. Achieving the SDGs is fundamentally an investment agenda in physical infrastructure (including renewable energy) and human capital. Yet the poorest half of the world – roughly speaking, the low-income countries (LICs) and lower-middle-income countries (LMICs) – lacks market access to capital on acceptable terms. We highlight five priorities towards a global plan to finance the SDGs. **First**, the G20 should declare clearly and unequivocally its commitment to channel far larger flows of financing to developing countries so that they can achieve economic development and meet the SDG targets. **Second**, the G20 should greatly increase the lending capacity and annual flows of the Multilateral Development Banks (MDBs), mainly through greater paid-in capital to these institutions, but also through greater leverage of their balance sheets. **Third**, the G20 should support other measures as well – notably increased ODA, large-scale philanthropy, and refinancing of debts falling due – to bolster SDG finance for the LICs and LMICs. **Fourth**, the IMF and the credit-rating agencies need to redesign the assessments of debt sustainability, taking into account the growth potential of developing countries and their need for far larger capital accumulation. **Fifth**, working together with the IMF and the MDBs, developing countries need to strengthen their debt management and creditworthiness by integrating their borrowing policies with tax policies, export policies, and liquidity management, all to prevent future liquidity crises.

At mid-point on the way to 2030, policy efforts and commitments supporting the SDGs vary significantly across countries, including among G20 countries. Ambitious and sound national targets, strategies, and plans are crucial to turning the SDGs into an action agenda. Every year, SDSN conducts a survey of government efforts for

Governments' Commitment and Efforts for the SDGs Score (pilot version) versus SDG Index Score



Note: G20 countries in red. The score for Ukraine reflects the situation as of January 2022.
Source: Authors' analysis. Details on the methodology and the indicators used are available on www.sdgindex.org

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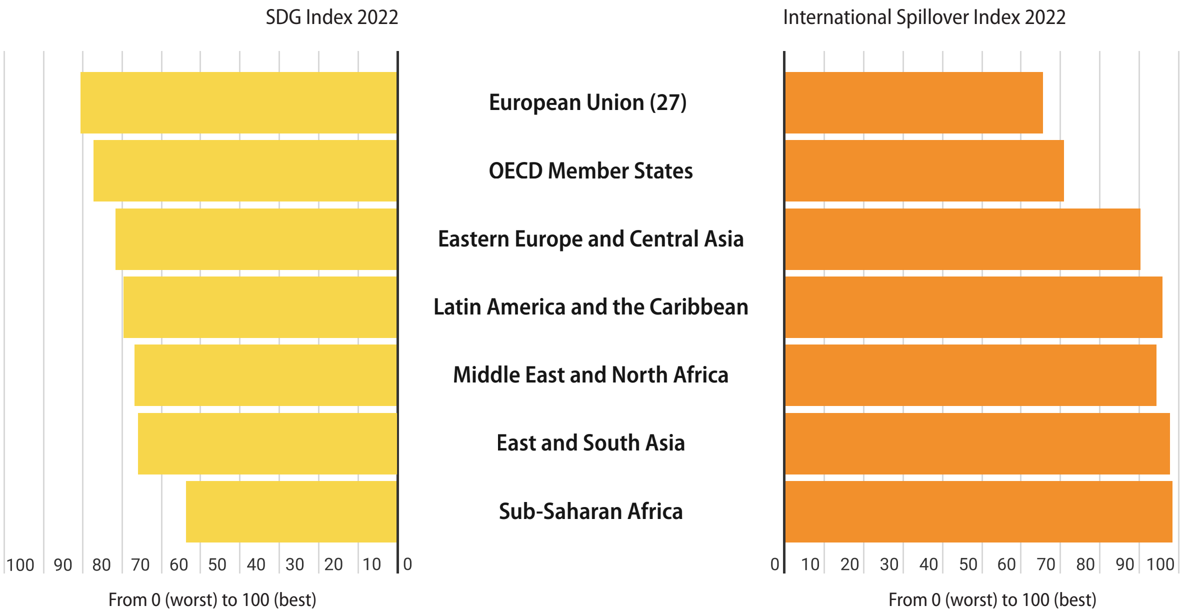
the SDGs, to monitor how the goals are integrated into official speeches, national plans, budgets and monitoring systems. SDSN also compiles metrics to gauge the alignment of national objectives and investments with the Six SDG Transformations. This year's pilot score of *Governments' Commitment and Efforts for the SDGs,* compiled for more than 60 countries, reveals that among G20 member states, the United States, Brazil, and the Russian Federation exhibit the least support for the 2030 Agenda and the SDGs. The United States is among the few UN Member States to have never submitted a Voluntary National Review (VNR). By contrast, Nordic countries demonstrate relatively high support for the SDGs, as do Argentina, Germany, Japan and Mexico (all G20 countries). Some countries, such as Benin and Nigeria, for example, have large gaps in their SDG Index yet also earn relatively high scores for their policy efforts. This may help them achieve better results in coming years. Interestingly, Benin and Mexico have both issued SDG Sovereign Bonds in recent years to scale up their sustainable development investments.

Rich countries generate negative international spillovers notably through unsustainable consumption; Europe is taking actions. The 2022 SDG Index is topped by three Nordic countries – Finland, Denmark and Sweden – and all top 10 countries are European countries. Yet even these countries face major challenges in achieving several SDGs. The 2022 International Spillover Index included in this report underlines how rich countries, including many European countries, generate negative socioeconomic and environmental spillovers, including through unsustainable trade and supply chains. The European Union has called for 'zero tolerance' of child labor and has proposed using trade to export European values throughout the world. Several instruments and legislations

SDG Index Score versus International Spillover Index Score



Source: Authors' analysis

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are under discussion in the European Union to address international spillover effects in the context of the European Green Deal. At the member states' level, in 2022, Sweden became the first country to announce its intention to set a national target to curb imported CO_2 emissions. Ahead of the 2023 SDG Summit, we underline four major priorities to curb negative international spillovers generated by rich countries: (1) Scale up international development and climate finance; (2) Leverage technical cooperation and SDG diplomacy; (3) Adopt national targets and instruments to address consumption-based impacts on other countries (do no harm); (4) Strengthen monitoring and data systems at international, national, industrial, and corporate levels covering the full supply chains, and make them an integral part of SDG reporting.

The COVID-19 pandemic forced data providers to innovate and build new forms of partnerships; these should be leveraged and scaled up to promote SDG impacts by 2030 and beyond. The pandemic led to a massive and sudden shift in demand for timely and quality data to monitor the health impacts of COVID-19 and inform policy intervention at international and national levels. The health situation and lockdowns impacted traditional mechanisms for data collection, including traditional face-to-face surveys. Data providers were pushed to innovate and modernize their data collection methods and processes, notably leveraging mobile and wireless technologies. This was accompanied by a sharp acceleration in the use of non-traditional data sources, including citizen science, social media, and earth observation data. New dynamic dashboards, GIS instruments, and improved data visualizations and infographics have facilitated a greater understanding of data and statistics. Looking ahead, consolidating and scaling-up data innovations and new forms of partnerships – including between the public and private sectors (including technology providers) – while also maintaining high standards for data quality and privacy, could help to promote evidence-based SDG policies and interventions. More generally, science, technological innovations, and data systems can help identify solutions in times of crises and can provide decisive contributions to address the major challenges of our times. These require increased and prolonged investments in statistical capacities, R&D, and education and skills.