

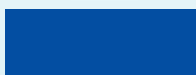


European  
Commission

---

REFLECTION PAPER  
**TOWARDS A SUSTAINABLE  
EUROPE BY 2030**

---





**Frans Timmermans**



First Vice-President  
Better Regulation,  
Interinstitutional Relations, the  
Rule of Law and the Charter  
of Fundamental Rights



**Jyrki Katainen**



Vice-President  
Jobs, Growth, Investment and  
Competitiveness

---

## Foreword

*We Europeans can be proud of our track-record. Through integration and close cooperation, we have created unprecedented wealth, high social standards and great opportunities for our citizens. We have anchored our common principles and values of democracy, human rights, and the rule of law in our Treaties, and built a European Union, whole and free.*

*This success is due to the fact that Europeans set the bar high. Our strong democratic culture spurs on fierce debates, and rightfully so. For this is no time to sit back in complacency and let history unfold. There is a continuous need to improve living standards for all Europeans, to better protect, defend and empower citizens, and to bolster people's security from various threats, whether they come from terrorism or from climate change.*

*The world is in a flux and we are in the midst of the fourth industrial revolution. Everything is changing for everyone. Pretending otherwise is an abdication*

*of common sense. The question is whether we are a victim of change, or whether we will embrace and guide it. Europeans are facing pressing challenges such as environmental degradation and climate change, demographic transition, migration, inequality, and pressure on public finances. Citizens are worried about their future, and that of their children. We are running up an ecological debt that affects everything. Future generations will have to pay back this debt with heavy interest if we don't step up our action.*

*It is the duty of the European Union to serve Europeans, not the other way around. The European Union must help people pursue their aspirations and address their concerns urgently and effectively. It starts by diagnosing the situation and facing up to the reality and undeniability of the facts. These facts however, should not instil in us worry and fear, but inspire us to act instead.*

European Commission  
COM(2019)22 of 30 January 2019

Rue de la Loi / Wetstraat, 200  
1040 Bruxelles/Brussels  
+32 2 299 11 11

*Many of these concerns have to do with challenges that go beyond borders and threaten jobs, our prosperity, our living standards, our freedom, and our health. No one state or nation can effectively deal with these challenges alone. We need the scale of the European Union, which — when unified and determined — is a global force to be reckoned with. However, ultimately even a European scale will not be enough; we need an agenda that has a global impact, and that agenda is best captured by the 17 Sustainable Development Goals (SDGs) 193 states signed up to, including the European Union and its Member States. These SDGs plot out a route on how to overcome the challenges we face, and to improve our habitat, our economy and our lives.*

*Sustainable development is a complex issue, but a simple concept: it is about making sure that our economic growth allows us to maintain a model that produces fair outcomes for all of humanity; and about ensuring that humans don't consume more resources than the Earth has to offer. That means we need to modernise our economy to embrace sustainable consumption and production patterns, to correct the imbalances in our food system, and to put our mobility, the way we produce and use energy, and design our buildings onto a sustainable path. To do this we also need to gear all our science, our financing, taxation, and our governance towards the achievement of the SDGs.*

*This is not a left or right issue, it is a right or wrong issue. Fortunately, the European Union has a good starting point because of its strong competitive advantages. Europe has developed some of the world's highest environmental standards, put in place ambitious climate policies, and championed the Paris Climate Agreement. Through its external policies and open, rules-based trade agenda,*

*the European Union has also shared sustainable solutions with third countries.*

*The European Union was founded on the premise that “world peace cannot be safeguarded without the making of creative efforts proportionate to the dangers which threaten it” as Robert Schuman put it so eloquently almost 70 years ago. Today we may add to “world peace” the words “our people’s well-being and survival”.*

*The sustainability agenda is a positive agenda, it is about making people’s lives better. Europe has all that it takes to tackle the greatest of challenges. We can do this, together. What we need is everyone’s engagement and the political will to follow through. While others are retreating, Europe must now move forward, improve its competitiveness, invest in sustainable growth and lead the way for the rest of the world.*

*It is not enough to have a vision, we also need to agree on a concrete way to get there. This Reflection Paper is our contribution to that debate.*

*We couldn't have completed it without the invaluable input of European stakeholders. Civil society, the private sector and academia are part of this debate. The High Level Multi-stakeholder Platform on the SDGs, established by the European Commission in 2017, has been a very positive exercise for bringing together cross-cutting ideas.*

*The questions raised in this paper are intended to inform a debate among citizens, stakeholders, governments and institutions in the months ahead, with a view to inspiring the debate on the future of Europe, the preparation of the European Union’s Strategic Agenda 2019-2024, and the priority-setting of the next European Commission.*

"In these times of change, and aware of the concerns of our citizens, we commit to the Rome Agenda, and pledge to work towards (...) prosperous and sustainable Europe: (...) a Union promoting sustained and sustainable growth (...); a Union where economies converge; a Union where energy is secure and affordable and the environment clean and safe. (...) In the ten years to come we want a Union that is safe and secure, prosperous, competitive, sustainable and socially responsible, and with the will and capacity of playing a key role in the world and of shaping globalisation."

*Rome Declaration 25 March 2017*



"The future of our planet requires immediate action — in real time. That is why I am calling on all those involved in the ecological transition and the modernisation of the economy to join forces at once to mend our fragmented economies and societies. This is because the ecological transition and modernisation of the economy are a matter of concern to all of us. (...) And because this ecological transition will not be a smooth, pain-free ride, we are also working to ensure that workers have effective social protection to help them adapt to change, that young people are well trained in the skills required by the jobs of tomorrow, in particular in green technologies and the digital sector, and that farmers have the means to implement environmentally friendly and climate-friendly practices thanks to the support of a modernised common agricultural policy."

*Jean-Claude Juncker  
President of the European Commission  
The Juncker Commission's contribution to the One Planet Summit, 12 December 2017*



---

## Contents

<b>1. Sustainable development to better people’s livelihood: Europe’s competitive advantages</b>	<b>6</b>
<b>2. EU and global challenges to tackle</b>	<b>10</b>
<b>3. Moving towards a sustainable Europe by 2030</b>	<b>14</b>
3.1 Policy foundations for a sustainable future	15
3.1.1 From linear to circular economy	15
3.1.2 Sustainability from farm to fork	17
3.1.3 Future-proof energy, buildings and mobility	18
3.1.4 Ensuring a socially fair transition	20
3.2 Horizontal enablers for the sustainability transition	22
3.2.1 Education, science, technology, research, innovation and digitisation	22
3.2.2 Finance, pricing, taxation and competition	24
3.2.3 Responsible business conduct, corporate social responsibility and new business models	26
3.2.4 Open and rules-based trade	27
3.2.5 Governance and ensuring policy coherence at all levels	29
<b>4. The EU as a global trail blazer in sustainable development</b>	<b>31</b>
<b>5. Scenarios for the future</b>	<b>33</b>
<b>Annexes</b>	<b>45</b>
Annex I: The Juncker Commission’s contribution to the Sustainable Development Goals	45
Annex II: The EU’s performance on the Sustainable Development Goals	65
Annex III: Summary of the contribution of the SDG Multi-Stakeholder Platform to the Reflection Paper “Towards a sustainable Europe by 2030”	121

---

## 1. Sustainable development to better people's livelihood: Europe's competitive advantages

In September 2015, at the United Nations General Assembly, countries around the world signed up to the 2030 Agenda for Sustainable Development (United Nations 2030 Agenda) and its 17 Sustainable Development Goals (SDGs), agreeing on a concrete “to-do list for people and planet”<sup>(1)</sup>. World leaders committed to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. The SDGs, together with the Paris Agreement on Climate Change, are the roadmap to a better world and the global framework for international cooperation on sustainable development and its economic, social, environmental and governance dimensions. The EU was one of the leading forces behind the United Nations 2030 Agenda and has fully committed itself to its implementation.

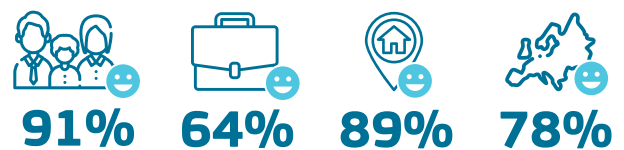
Sustainable development — the development that meets the needs of present generations without compromising the ability of future generations to meet their needs — is deeply rooted in the European project. European integration and EU policies have helped to overcome post-war poverty and famine, and have created a space of liberty and democracy where European citizens could reach unprecedented levels of prosperity and well-being.

The EU has continuously strived for more inclusive societies built on democracy and the rule of law as reflected in Article 2 of the Treaty on the European Union.<sup>(2)</sup> The EU's social and health standards are among the most ambitious in the world and Europe is the continent with the highest life expectancy. Our social market economy has generated prosperity and provided security thanks to strong welfare systems. Considerable investments in research and innovation have driven new technologies and production models allowing for a more sustainable use of resources and the take-up of digital solutions. Healthy budgets and modern economies are key; progress made towards sound fiscal policies and structural reforms have reduced debt levels and stimulated job creation. The employment rate of people aged 20-64 rose to 73.5% in the third quarter of 2018, the highest level ever reached in the EU. This has had a positive impact on productivity

and growth in Europe. While economic, social and territorial disparities between EU Member States and regions persist,<sup>(3)</sup> the EU's cohesion policy has helped all to grow and to reduce these divergences across the continent (upward convergence). Furthermore, the EU has set some of the highest social and environmental standards, has put in place some of the most ambitious policies to protect human health, and has become the global champion in the fight against climate change. The EU Member States have achieved remarkable progress in many areas of the United Nations 2030 Agenda, and as a result, the EU is one of the best places in the world to live in, if not the best.

---

The majority of respondents are happy with their family life, occupation, life in the country they live in and life in the EU:



2017 Future of Europe Eurobarometer

---

### *The European Union is one of the best places to live*

- Nine EU-27 Member States rank amongst the 20 happiest countries in the world, with Finland topping the list.<sup>(4)</sup>
- Overall life satisfaction in the EU, based on subjective well-being of European citizens, is at 70%.<sup>(5)</sup>
- Eleven EU-27 Member States feature in the top 20 of the worldwide Youth Progress Index<sup>(6)</sup> from the European Youth Forum. The Youth Progress Index is one of the first instruments developed to give the full story of what life is like for a young person today, independent of economic indicators.

## EU Member States are among the SDG top performers



Compared worldwide, seven EU-27 Member States are among the **TOP 10** in Global SDG Index ranking and all EU-27 Member States are in **TOP 50** (out of 156).



The EU-27 Member States have the **highest score on average** for **SDG 1** (End Poverty in all its form everywhere).



The EU-27 Member States have the **second highest score on average** for **SDG 3** (Ensure healthy lives and promote well-being for all at all ages).



The EU-27 Member States **score on average the lowest** on **SDG 12** (Ensure sustainable consumption and production patterns), and on **SDG 14** (Conserve and sustainably use the oceans, seas and marine resources for sustainable development).



There are **notable differences** between the Member States in achieving the **SDG 10** (Reduce inequality within and among countries).



Over the past five years, the EU has made **good progress** towards almost all Sustainable Development Goals (SDGs).



Source: SDSN SDG Index 2018; Eurostat, Sustainable development in the European Union 2018 edition.



**61%** of Europeans see the European Union as a place of stability in a troubled world and the optimism about the future of the EU is growing.

Eurobarometer report 2018

However, nothing is ever complete or permanently settled. Our democracy, our economy and our natural environment all need continuous efforts to consolidate our achievements, to fully overcome the negative impact from the economic and financial crisis, to decouple the improvement of our health, welfare and well-being from environmental degradation, to overcome social inequalities, and to address challenges that go beyond borders.

We are in the midst of the fourth industrial revolution and the changes will affect everyone. The question is whether we are going to be able to lead and guide the response according to our values and our interests. The EU and its Member States have significant competitive advantages allowing us to take the lead and modernise our economies, secure our natural environment and improve the health and well-being of all Europeans. To do so, will require us to embrace the SDGs whilst further investing in skills, innovation and emerging technologies, helping to drive the transition of our economy and society on to a sustainable path.

We have to consider how to evolve our production and consumption patterns. We must act now to stop global warming and the loss of ecosystems and biodiversity, which are threatening our well-being, the prospects for sustainable growth, and life itself on this planet. While we have the capacity to do so, we do not have the luxury of time. Inequalities and territorial disparities are still wide spread in spite of progress achieved. Addressing these is important for a fair society, but also for safeguarding and bolstering social cohesion, and securing social and political stability in and between the Member States in the EU.

## Sustainable Development Goals



1. No poverty
2. Zero hunger
3. Good health and well-being
4. Quality education
5. Gender equality
6. Clean water and sanitation
7. Affordable and clean energy
8. Decent work and economic growth
9. Industry, innovation and infrastructure

10. Reduced inequalities
11. Sustainable cities and communities
12. Responsible consumption and production
13. Climate action
14. Life below water
15. Life on land
16. Peace, justice and strong institutions
17. Partnerships for the goals

Source: United Nations.

In addition, a respected and effective rules-based multilateral world order is the best antidote to the law of the jungle in an anarchic world rife with nuclear weapons, extremism, and limited resources. There is a growing dangerous nationalist strain of ‘my country first’ that can lead to strife and conflict. Several countries have started turning their backs on their global commitments to human welfare, security, environmental protection and climate action, upending a rules-based order.

The SDGs are not an objective in themselves, but they serve as our compass and map. They offer the necessary long-term perspective, which transcends the electoral periods and short-term quick-win considerations. They help guide us to uphold robust democracies, build modern and dynamic economies, and contribute to a world with improved living standards, narrowing inequalities and ensuring that no one is left behind, whilst truly respecting the limits of our planet and securing it for future generations.

Since the start of its mandate, the Juncker Commission has worked to mainstream sustainable development in its policies<sup>(7)</sup> and has already laid the ground for the next generation of sustainable policies: from the European Pillar of Social Rights, the new European Consensus on Development to the values-based Trade for All Strategy, Strategic Engagement for Gender Equality and a European Education Area; from the Circular Economy package, ‘Europe on the Move’ packages and Energy Union to the Blue Growth Strategy and the Bioeconomy Strategy; and from the Investment Plan and Action Plan on Sustainable Finance to the Urban Agenda for the EU and Nature Action Plan, amongst others.

The Juncker Commission has also proposed to make the EU’s finances more sustainable by strengthening the link between EU funding and the rule of law, as well as through a more ambitious target of 25% for climate expenditure in the future EU budget.

Recently the Juncker Commission presented a long-term strategic vision for a prosperous, modern, competitive and climate neutral EU economy by 2050.<sup>(8)</sup> This vision paves the way for a structural shift of the European economy, driving sustainable growth and employment.

All these strategic policies will need to be fully and unambiguously implemented on the ground. They will also need to be complemented by further action, recognising the fact that all policies are interdependent, while taking into consideration new challenges, and new facts and evidence as they emerge. Social dialogue as well as voluntary measures from the private sector also have an important role to play in this respect.

The EU is exceptionally well-positioned to lead. A political vacuum is opening up as a result of the retreating policies of other world powers. This is an important opportunity for the EU to show leadership and blaze the trail for others to follow.

In May this year EU citizens will elect a new European Parliament. A new Commission is due to take office this fall. The end date of the “Europe 2020 strategy” for smart, sustainable and inclusive growth<sup>(9)</sup> is approaching fast. We must therefore look ahead to the next five-year policy cycle for Europe and the new Multiannual Financial Framework which runs from 2021 to 2027. The European Council<sup>(10)</sup> welcomed the intention of the Commission to publish this Reflection Paper, which should pave the way for a comprehensive implementation strategy in 2019. This Reflection Paper launches a debate on further developing the EU’s sustainable development vision and the focus of sectoral policies after 2020, whilst preparing for the long term implementation of the SDGs.<sup>(11)</sup> The Commission would like to contribute to a truly comprehensive and forward-looking debate on the future of Europe, and sustainable development is inextricably linked with that future.



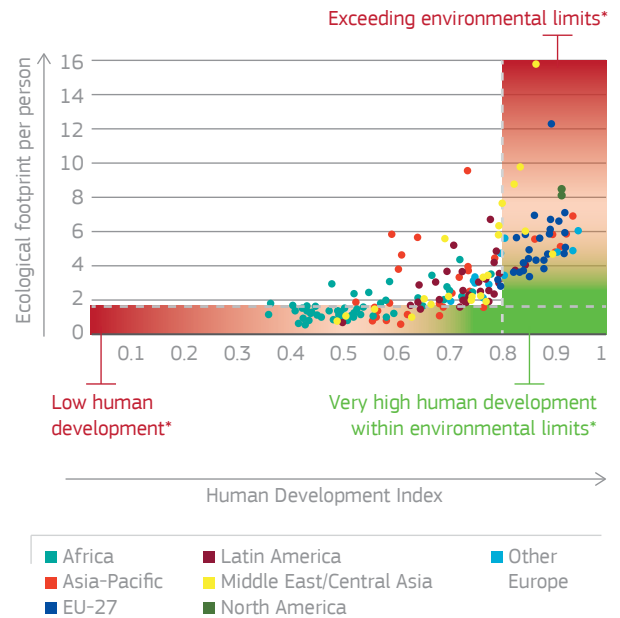
## 2. EU and global challenges to tackle

Following reform efforts at all levels, the EU's economic fundamentals have picked up after the economic and financial crisis.<sup>(12)</sup> However, recent forecasts<sup>(13)</sup> point to the need to increase growth rates, reduce debt rates, and sustain fiscal discipline in order to provide the framework for a robust economy. Unless we take steps to increase economic resilience and cohesion and address structural vulnerabilities, the coming years could lead to a loss of momentum amid large downside risks. Conversely, if we make the necessary structural reforms, we can deliver greater well-being and a stronger future, including through investment in research and innovation, public services, welfare systems and environmental protection. Steps both at EU and Member States' level are necessary to ensure future-proof fiscal and pension systems, including stable tax revenues in the Single Market.

In addition, there are many challenges that have become increasingly pressing, and threaten our well-being and economic prosperity. All these challenges are complex and strongly interlinked, meaning that addressing one may have positive implications for others.

The most serious sustainability deficit and our greatest challenge is the ecological debt, which we are running up by overusing and depleting our natural resources and thereby threatening our ability to meet the needs of future generations within the limits of our planet. Worldwide, the strains on key resources, from fresh water to fertile land, put human existence in peril. Today humanity uses the equivalent of 1.7 Earths.<sup>(14)</sup> With the global consumption of material resources increasing fourteen-fold between 1900 and 2015, and projected to more than double between 2015 and 2050,<sup>(15)</sup> the world is quickly moving towards several tipping points. In addition to the environmental strain, this poses a serious challenge to the EU economy, which is dependent on materials from international markets.

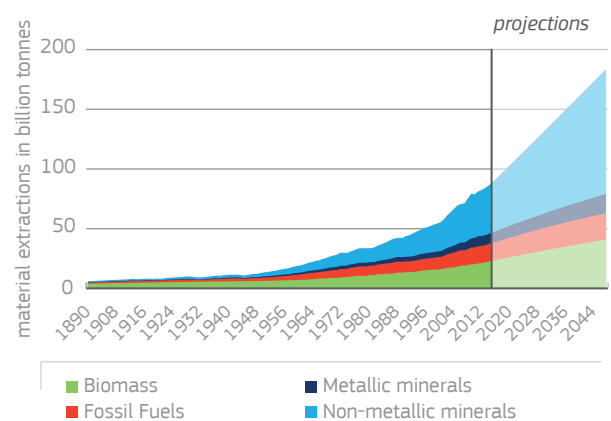
### Not a single country has achieved a high human development within planetary boundaries



Note: Data for human development index and environmental limits from 2014.

Source: Global Footprint Network, UNDP.

### Transition to circular economy is crucial as global material extraction is growing continuously



Source: European Commission, EIP on Raw Materials, Raw Materials Scoreboard 2018, based on UN Environment Programme (historic data) and Hatfield-Dodds et al. (2017) (projections).

Biodiversity and ecosystems are increasingly threatened by human actions; in just 40 years world vertebrate species populations have declined by 60% on average.<sup>(16)</sup> Tropical forests are being destroyed at fast rates, with an area approximately the size of Greece lost every year. This is not ‘somebody else’s problem’. In the EU, only 23% of species and 16% of habitats are in good health. Animal-based food has a particularly high land-use footprint<sup>(17)</sup> and the growing demand for seafood puts significant pressure on marine ecosystems.<sup>(18)</sup>

Global greenhouse gas emissions continue to rise at an alarming rate, with energy use but also overconsumption of resources and destruction of ecosystems as key drivers. Transport is responsible for 27% of the EU’s greenhouse gas emissions, and many urban areas are in breach of agreed EU air pollution limits. Food production is still a significant consumer of water and energy and emitter of pollutants, being responsible for approximately 11.3% of EU greenhouse gas emissions. In the EU fossil fuels continue to benefit from public subsidies of around EUR 55 billion per year, or some 20% of the EU’s fuel import bill, in spite of the EU’s ambitious decarbonisation measures and subsidy phase-out commitments in the G7 and G20.<sup>(19)</sup>

Overall, the EU has managed to reduce its own emissions, and decouple them from economic growth, thus robustly contributing to the global effort, also taking into account emissions embedded in the EU’s imports and exports.<sup>(20)</sup> However, both at the EU level and globally more efforts are needed.

If left unaddressed, the devastating impact of climate change and degradation of natural capital will seriously impact the economy, reduce the quality of life all over the planet and increase the intensity and frequency of natural disasters, putting more lives in jeopardy. While turning these negative trends around comes at a cost and requires strong collective effort, the cost of inaction and the associated social fallout would be much higher.<sup>(21)</sup>



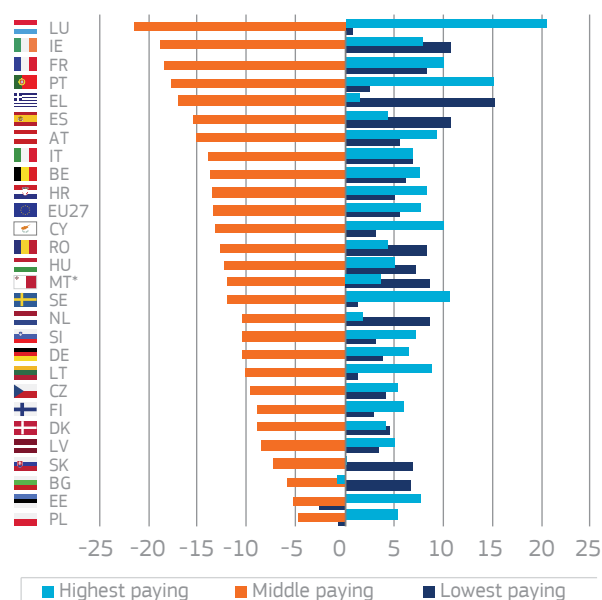
The majority of European respondents think that life of today’s children will be more difficult than life of those from their own generation

Eurobarometer report 2017

As well as a planetary challenge, the EU’s social welfare model — a cornerstone of the European project — finds itself on shifting ground. Technological, structural, and demographic changes in a globalised world are transforming the nature of work and calling into question our solidarity, eroding the promise that each generation can hope to inherit a better world than the last. This could also increase the threat to the EU’s core values of democracy, rule of law and fundamental rights.

### The proportion of middle wage workers is shrinking across the EU

High, middle and low paying jobs in the EU  
Change from 2002 to 2016 in percentage points



Note: Change for Malta from 2009 to 2016.  
Source: Employment and Social Developments in Europe (ESDE), 2018.

Currently, around 22.5% of the EU population is still at risk of poverty or social exclusion and 6.9% of Europeans still suffer severe material deprivation. In 2017, income inequality in the EU Member States declined for the first time since the financial crisis. However, inequalities in earnings are still too large with a continued concentration of wealth at the top. This has multiple social consequences, leading to differences between well-being and quality of life. EU Member States also face a number of challenges in securing affordable energy for all Europeans, with millions struggling to keep their homes warm.<sup>(22)</sup> While around 43 million people in the EU cannot afford a

regular quality meal every second day,<sup>(23)</sup> we waste approximately 20% of our food production<sup>(24)</sup> and more than half of the EU's adult population is overweight,<sup>(25)</sup> increasing serious health risks. An additional health risk is antimicrobial resistance, which could cause more than 10 million deaths per year in the coming decades.<sup>(26)</sup>

### In the EU....

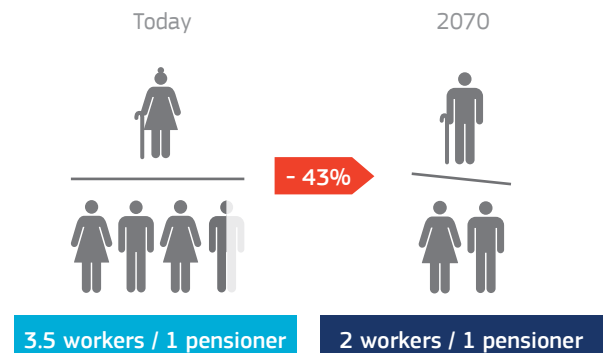


Source: Eurostat, European Commission, EU Fusions.

Today, there is still no full equality between women and men. Notwithstanding the fact that employment rates of women are at historically high levels and more women are present in positions of power than ever before, progress is stagnating or even regressing in other areas.<sup>(27)</sup> Twelve EU Member States have moved backwards in the past ten years when it comes to the gender balance of time spent on care, domestic work and social activities. Gaps in employment and pay persist.<sup>(28)</sup>

It is a great achievement that Europe has the highest life expectancy in the world. But a growing number of older people and a shrinking of the working age population brings its own challenges for our socio-economic model. Ageing coupled with longevity and increased likelihood of chronic diseases can have a deep impact on public finances, including on health systems. This will also increase the risk of inequality between generations.

### The % of people older than 65 compared to the working-age population will grow fast



Note: This chart shows old-age dependency ratios — defined as the number of people aged 65 or over as a percentage of the working-age population (i.e. people aged 15-64).

Source: Eurostat, European Commission.

Inequalities and the decline in social mobility pose a risk to our overall economic development<sup>(29)</sup> and social cohesion. The EU generally fares relatively well with regard to income inequality but less well with regard to equality of opportunity. Inequalities of opportunity can impede parts of the population from social and labour market inclusion, hampering growth prospects. Addressing inequalities is crucial for the public to support the sustainability transition. The rising temptations of isolationism and nationalism may be a sign that too many Europeans do not feel well protected in a world that seems to them increasingly unfair. However, it is clear that alone no Member State is big or strong enough to tackle transnational challenges but united in the EU we can offer protection.

Inequalities at a global scale are reason for deep concern as well. With great differences in population growth and living standards across the world, and with global temperatures continuing to rise and ecosystems disappearing, we will inevitably see an increase in forced displacement and migration across the globe. For example by 2050, it is estimated that hundreds of millions of people will flee their homes as a result of climate change and environmental degradation.<sup>(30)</sup> This is a clear example of how the many different complex issues are interlinked and interdependent, and why they require a comprehensive response. There is simply no silver bullet or easy solution to any of the big and difficult challenges.

It is a daunting task to modernise our economic model, to address the social issues we face and to continue to nurture and foster a strong rules-based multilateral cooperation. Yet, these are the necessary ingredients to secure social stability, to let our economies thrive, and to improve our health. Our free societies require economic dynamism, continuous investments in key enabling technologies and in education. For a better future for all, we need a reinvented form of sustainable growth, based on the understanding that the natural boundary conditions of the 21st century are very different from those of the previous century. We welcome this challenge.

The SDGs are by definition global goals, applicable to all parts of the world, and we must address them in this way. We must work with an international perspective in mind, leading by example, setting global standards, and enticing countries, industries and people to join this quest. As the world's largest single market, its largest trader and investor and the largest provider of development assistance, the EU can have a very significant influence on the success of the United Nations 2030 Agenda. The EU has already put in place many of the most modern policies in the world to foster sustainability. We must continue on this path, but the pace must be stepped up to ensure a sustainable Europe by 2030. We cannot afford passing the responsibility to next generations, and our margin of time is becoming ever smaller. The decisions we do or do not take in the next years will determine whether or not we can reverse these trends.

---

**Social equality, solidarity and environmental protection** should be emphasised by our society to face major global challenges



**1.** top answer



**2.** top answer

---

2017 Future of Europe Eurobarometer

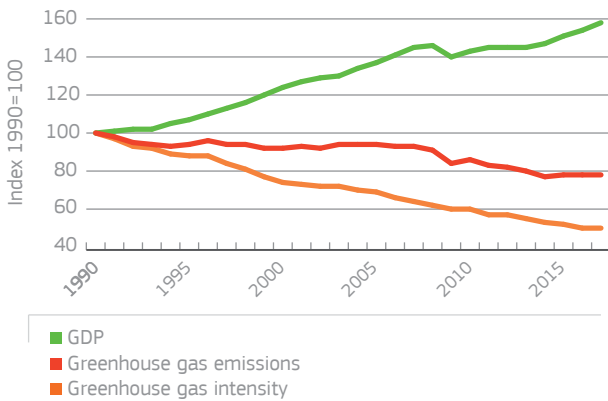
### 3. Moving towards a sustainable Europe by 2030

Sustainable development is about upgrading people’s living standards by giving people real choices, creating an enabling environment, and disseminating knowledge, and better information. This should lead us to a situation where we are “living well within the limits of our planet”<sup>(31)</sup> through smarter use of resources and a modern economy that serve our health and well-being.

We should therefore continue on the path that we set ourselves: a transition to a low-carbon, climate-neutral, resource-efficient and biodiverse economy in full compliance with the United Nations 2030 Agenda and the 17 SDGs. This transition needs to be for the benefit of all, leaving no one behind, ensuring equality and inclusiveness. Our economic growth must depend less on non-renewable resources so that we maximize the use of sustainably managed renewable resources and ecosystem services.

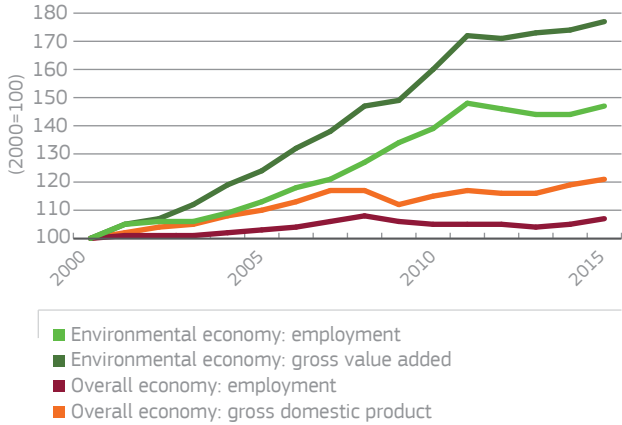
The EU has already embarked on this transition. Between 2000 and 2015, employment grew at a faster rate in the environmental sector than in the economy overall.<sup>(32)</sup> Low-carbon technologies are becoming a major trade commodity, with the EU benefitting from significant positive trade balances. During the period 2012-2015, EU exports of clean energy technologies reached EUR 71 billion, exceeding imports by EUR 11 billion. The EU is already showing that it is possible to grow the economy, and reduce carbon emissions at the same time.

#### EU demonstrates that economic growth and low-carbon transition are compatible



Source: European Commission, European Environment Agency.

#### In the EU environmental economic sectors are growing faster than the overall economy



Source: Eurostat; European Commission.

The EU can set the standards for the rest of the world if it takes the lead in the implementation of the SDGs and the transition to a sustainable economy, including through smart investments in innovation and key enabling technologies. The EU would then be the first to reap the benefits of the transition. It would also have the strongest competitive advantage in the global marketplace of tomorrow. This will contribute to building stronger Member States in a stronger Union, helping people pursue their goals in freedom and well-being, and thus fulfilling Europe’s vision.

“Green growth would ‘lift all the boats’”,<sup>(33)</sup> benefitting producers and consumers alike. It is estimated that achieving the SDGs in the areas of food, agriculture, energy, materials, cities, and health and well-being could open more than EUR 10 trillion of market opportunities.<sup>(34)</sup> The EU’s ambition to achieve a resource-efficient and climate-neutral economy will demonstrate that a green transition can go hand in hand with increased prosperity. To succeed, the EU and its Member States must lead the way in science, technology, and modern infrastructure. We must also encourage the emergence of new business models, bring down the barriers in the Single Market and take advantage of new technologies such as artificial intelligence. Important horizontal enablers such as research and innovation, finance, pricing and taxation, responsible business conduct, and new business models and education will create the right conditions for sustainability change if they are geared towards an innovative green, inclusive and socially just economic transition.



To get there, we need to continue investing in people and in the different systems that underpin our society. Isolated, piecemeal approaches have proven to be ineffective. We need to formulate strategies that are comprehensive and integrated. For instance, environmental issues cannot be solved with environmental policies alone if economic policies continue to promote fossil fuels, resource inefficiency or unsustainable production and consumption. Similarly, social policies are not sufficient to accompany the fourth industrial revolution and support the labour force affected by the carbon-transition; strong education and training policies as well as research and development will be of crucial importance too to build the necessary resilience in our societies.

Action is needed at all levels. EU institutions, Member States and regions will have to be on board. Cities, municipalities and rural areas should all become drivers of change. Citizens, businesses, social partners and the research and knowledge community will have to team up. The EU and its Member States will have to work together with international partners. If we are to succeed, we must pull in the same direction at all levels.

### 3.1 POLICY FOUNDATIONS FOR A SUSTAINABLE FUTURE

It is therefore of the utmost importance that all actors in the EU prioritise the sustainability transition. They must further develop the cross-cutting policy agendas that have been adopted at the EU level in recent years. Significant parts of EU policies are already geared towards achieving the SDGs, but they still need to be put into practice in an integrated way by the Member States. For example, the costs of not implementing existing EU environmental legislation are broadly estimated at around EUR 50 billion a year in health costs and direct costs to the environment. Achieving full compliance with EU environmental rules would not only bring vast benefits for the environment, and our health but also create jobs.<sup>(35)</sup>

In the same vein, it is not just about speeding-up and scaling-up of sustainable solutions, but also about building bridges and increasing coherence between different agendas at all levels. Policy coherence is a critical condition to ensure that we can deliver on the SDGs and ensure long-term green and inclusive growth for the EU.

In line with the strong evidence base of the key sustainability challenges and opportunities for the EU, it is important to focus on production and consumption in the areas of materials and products, food, energy,

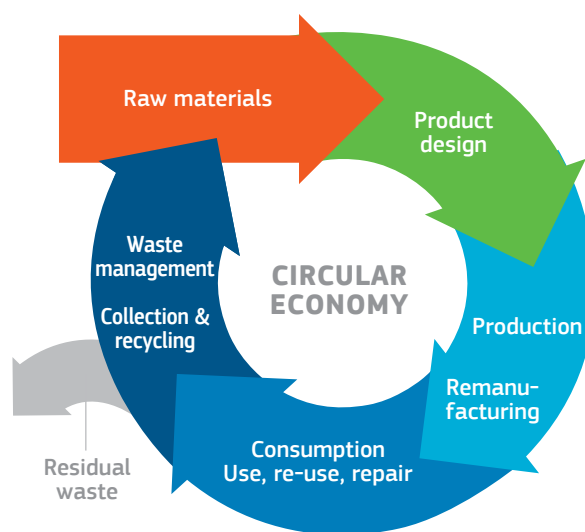
mobility and the built environment,<sup>(36)</sup> taking into account the social implications of the changes in these areas. This is where sustainability changes are most needed and are potentially most beneficial for the EU economy, society and natural environment, with strong positive global spillover effects. These areas do not operate in isolation but are strongly interlinked and mutually reinforcing.

#### 3.1.1 From linear to circular economy

Increasing availability and affordability of different materials and products have simplified our lives and contributed to the rise in living standards and the quality of life in the EU. However, our culture of consumption has resulted in excessive resource extraction and growing pressures on natural capital and climate.<sup>(37)</sup>

We need to make sure that we can continue to grow our economy in a sustainable way and improve the living standards people demand. This will require new designs of materials and products so that we are properly equipped to re-use, repair and recycle more and more. This will in turn not only cut waste, it will also reduce the need for new resources to be extracted at great financial and environmental cost. When a product reaches the end of its life, be it a pair of jeans, a smartphone, food container, or piece of furniture, a true circular economy ensures that most of its material value is preserved, so what was previously considered waste can be used again for making new products.

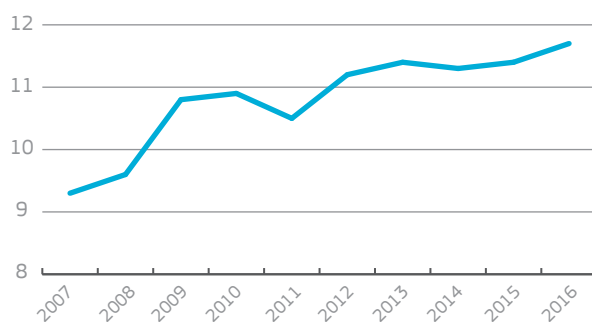
#### Circular economy cuts waste and reduces the need for new resources



Source: European Commission.

The **transition to a circular economy**, including to a circular bioeconomy, is a huge opportunity to create competitive advantages on a sustainable basis. Applying circular economy principles in all sectors and industries will benefit Europe environmentally and socially and in addition have the potential to generate a net economic benefit of EUR 1.8 trillion by 2030<sup>(38)</sup>, result in over 1 million new jobs across the EU by 2030<sup>(39)</sup>, and be central to cutting greenhouse gas emissions.<sup>(40)</sup> Given EU products' heavy reliance on the resources of other parts of the world, the transition to a circular economy would also help the EU decrease environmental, social and economic pressures globally, and increase the EU's strategic autonomy.

**Circular material use is increasing in the EU**  
Use rate in %, EU28



Source: Eurostat

The EU is the best-placed economy to benefit from the circular transition by making circular products one of its flagship brands, generating competitive advantages. However, to maintain that advantage we will need to step up our efforts. The Circular Economy Action Plan adopted by the Juncker Commission in 2015 sets out measures to guide the EU economy towards a circular path and help the EU to become a world leader in this transition. It includes steps for changing consumption and production patterns, by focusing on the design of products (durability, reparability, re-use and recyclability), waste management (avoidance, material recycling, energy recovery and avoidance of landfilling) and increasing consumer awareness. Almost all elements of the Action Plan have already been delivered but more steps will need to be taken to build a fully circular European economy.

The renewed EU Bioeconomy Strategy presented in 2018 complements the Circular Economy Action Plan, improving and scaling up the sustainable use of renewable resources and allowing renewable raw

materials and industrial by-products to be turned into bio-based products, such as fuels, chemicals, composites, furniture and fertilisers.

It is now essential to turn those policies that are in place into reality on the ground, and continue to prioritise new actions at all levels of EU governance. For instance, the ambitious modernisation of EU rules on waste will have to be put in practice by Member States. Life-cycle assessments of products should become a norm and the eco-design framework — created for increasing the efficiency of products to reduce energy and resource consumption — should be broadened as much as possible. The work started on chemicals, the non-toxic environment, eco-labelling and eco-innovation, critical raw materials and fertilisers, needs to be accelerated. Boosting the market for secondary raw materials has to remain a high priority. The successful work on a circular plastics economy will have to remain a key focus area, and additional resource and pollution-intensive industries such as food, textiles, and electronics will also have to be supported and stimulated to become circular. Bio-based sectors have to be scaled up and strengthened while protecting our ecosystems and avoiding overexploitation of natural resources. Moving forward, we should make the circular economy the backbone of EU industrial strategy, enabling circularity in new areas and sectors, empowering consumers to make informed choices and enhancing efforts by the public sector through sustainable public procurement. The time is right, and the groundswell of public support for the EU Plastics Strategy shows there is an increasing understanding for continuing on this path.

**Circular economy in action: EU putting in place the world's first comprehensive Plastics Strategy**

The EU Plastics Strategy<sup>(41)</sup> and legislation on single-use plastics<sup>(42)</sup> will protect the environment from plastic pollution while fostering growth and innovation. All plastic packaging placed on the EU market will need to be recyclable by 2030 in an economically viable manner, intentionally added microplastics and the most harmful single-use plastic items for which alternatives exist will be banned, and recycled plastics will be increasingly used to make new products.

### 3.1.2 Sustainability from farm to fork

The EU's farm sector and rural areas are crucial for the well-being of Europeans. Our agriculture and food industry make the EU one of the world's leading producers of food, guarantor of food security and provider of millions of jobs for Europeans. The EU's farmers are also the first stewards of the natural environment, as they care for the natural resources on 48% of the EU's land, with foresters accounting for a further 40%. The EU's rural areas are hosts to innovative sectors such as bioeconomy. Moreover, our rural areas serve as major bases for recreation and tourism. However, as average temperatures continue to rise and the natural environment is degraded, farmers and foresters are most directly affected.

EU agriculture has made real progress on the climate and environment front, reducing greenhouse gas emissions by 20% and nitrates levels in rivers by 17.7% since 1990. Nevertheless, the identified challenges remain. If we are to modernise our economy, protect our environment and improve the quality of our food, imbalances in our food chain need to be corrected, from agriculture and fishing, to the food and drink industry, transportation, distribution, and consumption.

The SDGs offer the way forward. It is estimated that a global food and agriculture system in line with the SDGs could create new economic value of more than EUR 1.8 trillion by 2030.<sup>(43)</sup> It could deliver nutritious, affordable food for a growing world population, generate higher incomes, help restore forests, freshwater resources and ecosystems, and be much more resilient to climate risk.<sup>(44)</sup> Sustainable agricultural and food production practices are expected to create over 200 million full-time jobs globally by 2050.<sup>(45)</sup>

Here too public demand is evolving. Citizens increasingly value food produced with broader benefits for society, such as organic produce, products with geographical indications, localised food production systems with lower carbon footprints, and innovative low-emission food solutions. Organic farming, with an emphasis on environmental protection and animal welfare, has been

steadily increasing in all EU Member States since 2005 and is expected to keep growing.<sup>(46)</sup>

#### Organic agriculture is on the rise in the EU accounting for almost a doubling of total agricultural area from 2005 to 2016

Area under organic farming, % of utilised agricultural land



Source: Eurostat.

As the number one exporter and importer of agri-food products in the world,<sup>(47)</sup> the EU is well-positioned to reap the benefits of this economic opportunity and become a global sustainable food champion. This can be achieved. We need a comprehensive approach entailing a genuine change in the way we produce, transform, consume and distribute food by accelerating the transition to a **sustainable food system** based on circular economy principles and making innovative, healthy, environment and animal welfare-friendly, safe and nutritious food production one of our key European trademarks.

The Commission has proposed a modernised Common Agricultural Policy (CAP), where Member States' national plans will have to reflect the strong sustainability principles embedded in the CAP objectives. The Common Fisheries Policy has led to significant progress in improving the sustainability of European fisheries. However, proper implementation of the Common Fisheries Policy, including the sustainable management of all fish stock and the development of sustainable aquaculture remains essential.

### Support for the transition to sustainable agriculture through a modernised CAP

The future CAP (2021 to 2027)<sup>(48)</sup> will continue to ensure access to high-quality food and strong support for the unique European farming model with an increased focus on the environment and climate, supporting the continued transition towards a more sustainable agricultural sector and the development of vibrant rural areas.

New obligations include preserving carbon-rich soils through protection of wetlands and peatlands; an obligatory nutrient management tool to improve water quality, reducing ammonia and nitrous oxide levels; crop rotation instead of crop diversification. All farmers who benefit from CAP support will have to respect these basic standards.

Each Member State will have to develop eco-schemes to support and/or incentivise farmers to give preference to agricultural practices that are beneficial for the climate and the environment, beyond their mandatory requirements. Additionally, farmers will have the possibility to contribute further to enhanced sustainability by receiving additional support through various voluntary schemes.

In this context, it is important to enforce a more prudent use of antimicrobials so as to lower the risk of further antimicrobial resistance in animals and humans<sup>(49)</sup>, pursue the EU Action Plan to fight food waste, increase the focus on animal welfare standards, ensure sustainable use of pesticides and turn bio-waste, residues and discards into valuable resources. Creating transparency of value chains and incentivising producers and supermarkets to offer, and consumers to choose sustainable food and healthy diets could be encouraged through appropriate and innovative measures including better education and consumer information to offer real, affordable, healthy choices. Shifting to a more sustainable consumption of animal-based products would in addition bring significant health benefits for consumers and positively affect the natural environment.<sup>(50)</sup>

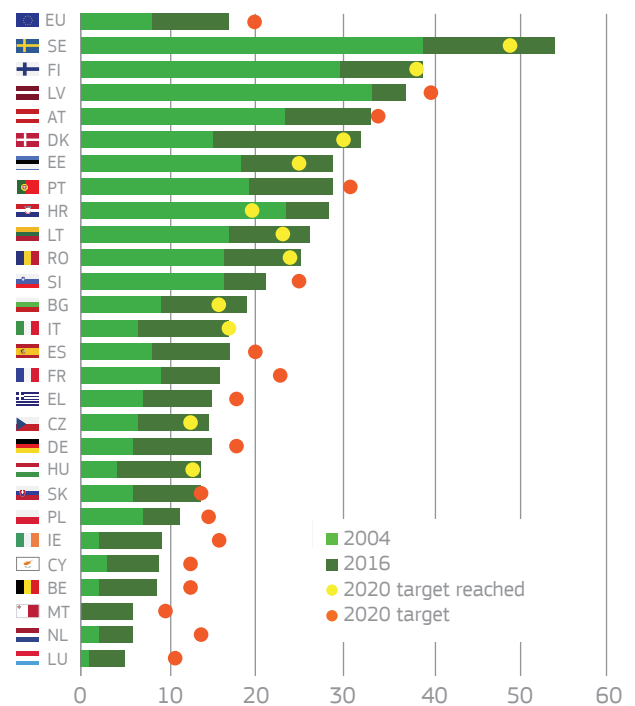
### 3.1.3 Future-proof energy, buildings and mobility

**Clean energy** is key to a sustainable future. We need to produce, store and consume energy in a sustainable way to reduce our environmental impact and protect the health of Europeans.

The EU is already one of the most carbon efficient economies in the world. Renewable energy is an integral part of Europe’s energy mix and more than half of the EU’s electricity supply is climate-neutral. Energy efficiency measures, including energy labelling, have reduced energy consumption in recent years.<sup>(51)</sup> When buying appliances people increasingly choose the energy efficient option. There are nearly 1.5 million jobs in renewable energy and energy efficiency in Europe.

#### In 2016 renewable energy represented 17% of energy consumed in the EU, on a path to the 2020 target of 20%

In % of gross final energy consumption



Source: Eurostat.

With the Energy Union, the European Commission has put in place one of most comprehensive global policy frameworks for the energy transition and economic modernisation, bringing together climate, energy, transport, research and other policies. As part of Energy Union regulation, the EU level targets of reaching at least 32% renewable energy of total energy consumption and at least 32.5% energy efficiency in 2030 will allow us to go beyond our commitment under the Paris Climate Agreement to reduce greenhouse gas emissions by at least 40% by 2030, compared to 1990 levels.

### **Clean Energy is an opportunity for jobs and growth**

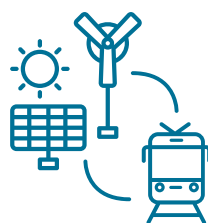
Between 2008 and 2014 the number of jobs in renewable energy technologies increased by 70%. There is potential to create an additional 900,000 jobs by 2030, provided that public and private investment is mobilised. Up to 400,000 additional local jobs could come from the energy efficiency sector.

Beyond 2030 more is needed to live up to the letter as well as the spirit of the Paris Climate Agreement, exploiting the full economic potential of the energy transition. The EU can significantly decrease its costly dependency on fossil fuels, reduce its fossil fuel import bill of some EUR 260 billion, increase its energy autonomy, and contribute to a fairer energy market. It is essential that we continue the integration of the energy market by building the missing interconnections and facilitating cross-border energy trade. The clean energy transition can also be supported by ocean energy and offshore wind energy. As a leader in this field, the EU should continue enjoying its first-mover advantage.

As **buildings** are responsible today for around 40% of energy consumption, there is a need to promote improved energy efficiency of buildings through renovation and modernisation. This has already begun. For example, eco-industries linked in particular to the refurbishment of buildings represent more than 3.4 million jobs in Europe. Reducing energy demand in buildings requires increased use of efficient and

clean electric heating, but also smarter buildings and appliances and improved materials for insulation, fully in line with the circular economy principles. The Energy Performance of Buildings Directive aims to improve the quality of living, by making our houses better insulated and ventilated and thus better places to live, while decarbonising our building stock by 2050. Such actions will lead to cheaper living costs and thus leave more money in people's purses. Ways and means, however, must be found to help people make that transition in the first place.

Another main driving force for the transition towards a clean, resource efficient and carbon-neutral future is the **mobility** sector, from urban mobility to trans-European networks, road transport as well as shipping and aviation. Transport and mobility services employ around 11 million people, and demand for mobility today is high. However, transport today generates air pollution, noise, congestion and road accidents. The sector already represents almost a quarter of Europe's greenhouse gas emissions and its emissions' footprint is rising. The Action Plan for Low Emission Mobility, presented by the Commission in 2016, and the 'Europe on the Move' proposals which followed, foresee numerous measures to increase the sustainability of our transport system. These actions are geared towards reducing greenhouse gas emissions and giving a signal to EU companies to invest in clean transportation. This too will contribute to jobs and growth. We need to prioritise clean and affordable alternatives, with an objective to have only zero emission vehicles on EU roads and make the best use of digital technologies to help reduce fuel consumption. Likewise, the EU's satellite navigation systems contribute to reducing emissions, for instance in aviation and road transport.



**The share of energy used in transport activities from renewable sources almost tripled in 10 years to reach 7.1 % in 2016.**

Eurostat 2018



Cities are the vanguard of the shift to sustainable mobility. Through sustainable urban planning, integrating spatial planning and addressing mobility demands and infrastructure, cities have an important role to play. Urban areas should also be assisted in digitisation, automation and other innovative solutions and should pursue active and shared transport, from more walking and cycling to car-sharing services and car-pooling.

Additionally, it is important to look at the design and the end-of-life of vehicles, and at transport infrastructure to make sure that the opportunities of circular economy transition are used to the maximum. Vehicles that have reached the end-of-life still contain many valuable materials. The EU end-of-life vehicles legislative framework requires producers to design and manufacture new vehicles without hazardous substances and in such a way that makes it easy to reuse and recycle the materials of an old vehicle to make new products.

More can and should be done from using recycled content in vehicles and transport infrastructure to reaching more efficient recycling. For example, increasing the collection and recycling rates of electric car batteries in the EU could reduce dependence on imported materials and help to retain the value of recovered materials in the EU economy. Additional incentives, both regulatory and financial, will be important to make the most of the circular economy potential in the transport sector.

### 3.1.4 Ensuring a socially fair transition

Solidarity and prosperity are virtues in themselves and make up the very fabric of our free and democratic societies. The transition to ecologically sustainable economic growth and competitiveness can only be successful if it is inclusive at the same time. Sustainability change is therefore also about **promoting social rights and well-being** for all and in turn contributing to social cohesion in the Member States and across the EU.

The sustainability transition can have strong positive spill-over effects on social well-being. In addition to providing the foundation for decent jobs, it can have notable health benefits too. It is widely recognised that good health is closely connected to the state of our natural environment. The detrimental effects of air and water pollution are a prime example in this regard. Sustainable food systems can provide high quality nutritious food to all citizens.

EU legislation on chemicals has significantly contributed to ensuring a high level of human health protection. Over the past four decades, human and environmental exposures to hazardous substances have dramatically decreased. EU legislation has also helped to reduce the exposure to certain carcinogens in the workplace and led to an estimated prevention of one million new cancer cases in the EU over the last 20 years.

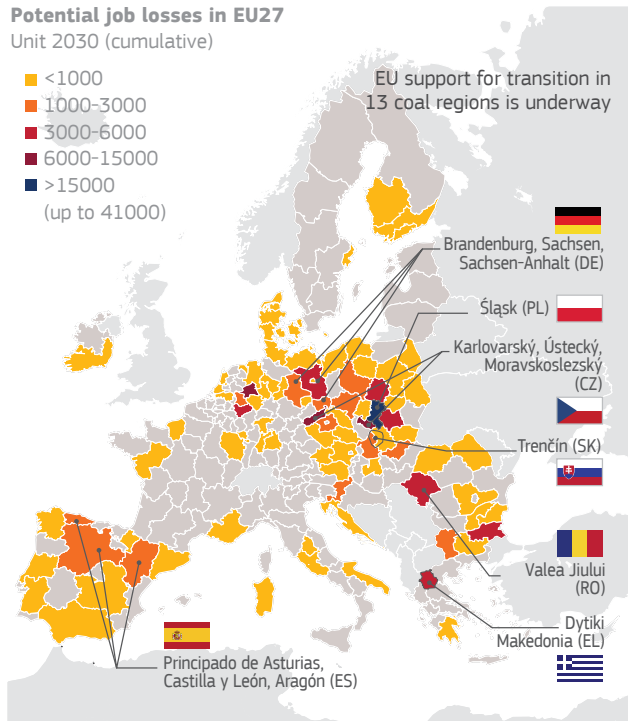
Creating synergies and modernising our economy also sometimes entails difficult trade-offs. Whereas in the sustainability transition new jobs will be created, traditional jobs may disappear or be transformed including through digitisation and automation, creating temporary friction in the labour market. With regard to the labour market it is for instance at present unclear what the exact impact of artificial intelligence will be.

Despite the fact that many households are struggling to make ends meet, there is a growing public understanding that we need to change the ways we produce and consume. Nevertheless, not only can these challenges hit the middle and lower-income class relatively harder but the costs to upgrade their houses, their cars or their skills, for example, can pose a higher burden on them as well.

This transition has consequences for those employed in affected businesses and sometimes for entire regions. A fundamental principle to enable the transition is to leave no one behind. We simply cannot succeed with the sustainability transition at the expense of groups of people, communities, sectors or regions. All members of our society will have to receive equal opportunities to contribute to a sustainable European future and benefit from the transition. We must in particular empower women to enter the job market and seek economic independence.

To succeed in putting our society on a sustainable path, we must ensure that our policies help all Europeans make this change, including by equipping them with the necessary skills. The Commission launched, for example, the Coal Regions in Transition initiative, which helps develop strategies and projects for viable social, economic and technological transformation in certain regions in the EU, and which will be extended to carbon intensive regions. Such early initiatives that anticipate transition challenges should be reinforced and multiplied to other sectors where transformation is needed. Automotive and certain food sectors could be an example.

## EU planning well ahead for the transition in coal regions



Source: European Commission (DG JRC, DG REGIO).

Ensuring a socially inclusive, just and fair transition will also be crucial for the public acceptance of the steps required and for turning the transition into a success for all. This implies a higher and fairer participation in the labour market, while focusing on job quality and working conditions. It also implies the respect for minorities' rights.

In this context, orderly, legal, and well-managed migration can create opportunities for the European economy, addressing changing demographics, both in countries of origin and in countries of destination of migrants. Integration and full participation in societies — be it cultural, social or economic — of all migrants who are rightfully and legitimately resident in the EU is a common responsibility and is crucial to ensure social cohesion.<sup>(52)</sup>

The sustainability transition also requires investment in effective and integrated social protection systems, including quality services such as education, training, life-long learning, childcare, out-of-school care, health and long-term care. This is essential to ensure equal opportunities for all and to promote economic and

social convergence. Health systems, in particular, need to evolve so that they are easily accessible and affordable to all, including improved access to medicines, more patient-centred, and strongly focussed on health promotion and disease prevention. They should also have more and better planning and forecasting on health workforce and a broader use of cost-effective digital technologies.<sup>(53)</sup>

Social investment must therefore remain among the top priorities of the EU and its Member States. The Reflection Paper on Social Europe<sup>(54)</sup> is an important reference point, and explores in detail the options for adapting our social models to the challenges we face. The main framework for the EU in moving ahead is the European Pillar of Social Rights proclaimed by the EU institutions in November 2017. The Pillar's purpose is to guide a renewed process of improving working and living conditions. It sets out key principles and rights in the employment and social field. Our focus must now be on delivering on the Pillar. Moving forward, we also have to make sure that the Pillar's implementation will help equip people with the right skills for the right jobs that are geared towards green economic transition.

The sustainability transition must also continue to help Member States and regions grow upwards and towards one another, while avoiding wider regional injustice and inequalities in the EU within and between urban and rural areas.

While 75% of the EU territory is rural, urban areas are home to over two-thirds of the EU's population. They generate up to 85% of EU GDP, account for about 60-80% of energy use, and commonly face challenges such as congestion, a shortage of adequate housing, air pollution, and declining infrastructure.<sup>(55)</sup> The implementation and development of the Urban Agenda for the EU should remain a priority and synergies with different sustainability policies and other instruments should be intensified.

Rural areas are also the main suppliers of the food, energy and materials we consume, and are therefore critical for the sustainability transition. The bioeconomy is one example where an important contribution can be made to decarbonising our economy while creating rural jobs. Sustainable tourism and food systems are also good examples of economic opportunities in rural areas, involving the protection and enhancement of cultural and natural heritage.

EU measures alone, such as cohesion policy and rural development policies, including the EU Action for Smart Villages, will not be enough, and all actors, including national and regional, will have to do their part to accelerate the sustainability transition and apply the appropriate regulatory and other approaches that strengthen rural areas and safeguard equal living conditions.

## **3.2 HORIZONTAL ENABLERS FOR THE SUSTAINABILITY TRANSITION**

### **3.2.1 Education, science, technology, research, innovation and digitisation**

Education, science, technology, research and innovation are a prerequisite for achieving a sustainable EU economy meeting the SDGs.<sup>(56)</sup> We need to continue to raise awareness, broaden our knowledge, and hone our skills. We should invest more in these areas, gearing them towards the SDGs.

Education, training and life-long learning are indispensable to create a sustainability culture. EU leaders have agreed to work towards a European Education Area by 2025 to harness the full potential of education, training and culture as drivers for job creation, economic growth and social fairness. Education is both a virtue in itself, and an invaluable means to achieve sustainable development. Improving equal access to inclusive high-quality education and training at all stages of life, from early childhood through to higher education and adult education, must therefore be a main focus. Educational institutions of all levels should be encouraged to embrace the SDGs as guidance for their activities and supported to become places where skills for sustainability are not only taught, but also actively practiced. Reform and modernisation of education systems from building green schools and green campuses to developing new skills for the digital economy should also be addressed.

Enhancing ICT skills and core digital competences, in line with the EU Digital Education Action Plan,<sup>(57)</sup> and focussing on artificial intelligence<sup>(58)</sup> should be among the priorities when moving forward. Harnessing the

power of the digital transformation to meet the SDGs is a clear priority. The EU is fully committed to develop capacity and expertise in key digital technologies such as connectivity, the ‘internet of things’, cybersecurity, blockchain or high-performance computing, while simultaneously paying attention to the potential negative externalities of digital infrastructures.

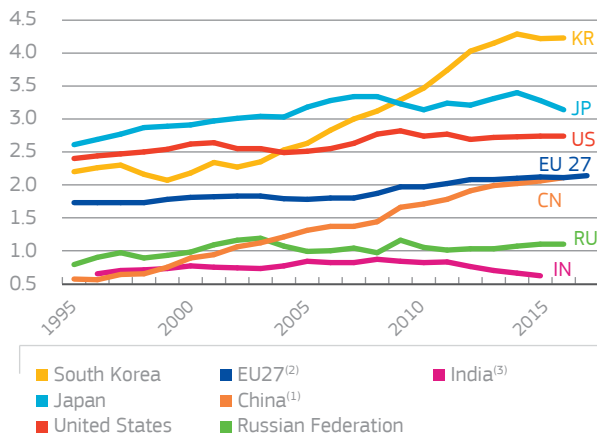
Artificial intelligence is an area where the EU is lagging behind China and the United States.<sup>(59)</sup> The EU needs to catch up quickly to reap the economic benefits and at the same time take the lead in shaping the necessary new ethics that should accompany this new technology. This way the EU can help ensure that artificial intelligence is a net benefit to people’s lives and work. By being able to process large amounts of data instantaneously, artificial intelligence has the potential to significantly increase productivity in many areas, such as healthcare, energy, agriculture, education and environmental protection. For instance, in the agricultural sector, researchers currently use artificial intelligence and big data to predict crop yields several months before harvest, thereby potentially helping farmers increase productivity, make informed planting decisions and ultimately enhance food security.<sup>(60)</sup>

Research and innovation have an important role as a catalyst for change. They are a tool for analysing the impacts of change and a means for ensuring that any transition leads to an increase in our well-being. They also allow us to save money. Investing more in innovation and technological development today will in the longer run help us to lower the costs of meeting our long-term policy goals such as those related to our climate and environmental targets. Europe has the brains, the skills, and the innate creativity. Building on the strengths of its rich community of researchers and innovators, the EU is in a strong position to take the lead in developing and deploying breakthrough solutions for green and inclusive growth that will be applicable in the EU as well as globally.

However, to fully exploit this potential EU Member States need to step up their research spending. The EU has agreed that by 2020, 3% of EU Member States’ GDP should be invested in research, development and innovation, yet we are still far from reaching this target.

### China is investing in R&D at a rate that is overtaking both the EU and US

R&D intensity (total R&D expenditure as % of GDP), 1995-2017



Notes: (1) CN: China does not include Hong Kong. (2) EU27: The UK is not included. (3) IN: Data are not available for 2012, 2013 and 2014. The values were extrapolated by DG RTD.

Source: DG Research and Innovation - Unit for Reforms and Economic Impact - Country intelligence; Data: Eurostat, OECD, UNESCO.

At the EU level, the Framework Programmes for Research and Innovation are a catalyst for sustainable competitiveness, growth and investments. To accelerate the sustainability transition, research and innovation funding needs to be complemented with a strategic approach to investment, allowing innovative solutions to reach the market, as these often require capital intensive and high-risk investments. Instruments such as the European Fund for Strategic Investments have been created to help lower the risks of such investments and thus make them more attractive to private stakeholders. The recently-proposed European Innovation Council can also help in that respect by supporting top-class innovators, start-ups, small companies and researchers to succeed with high-risk innovative projects, scale-up internationally and benefit from intellectual cross-fertilisation.

The EU and its Member States could focus on financing breakthrough and disruptive technologies and innovative companies that have the potential to become EU and global market leaders in the sustainability transition, as well as on the effective and timely uptake of these innovations. Particular attention should be paid to sustainable and innovative farming and food systems, clean technology, human and animal health, ecosystem solutions and resource-efficient products and production methods. Additionally, a supportive regulatory framework to stimulate the effective uptake of innovation for sustainable development is required.

The EU and its Member States would also need to promote stronger links between researchers and business. EU research, development and innovation hubs and incubators are important to support sustainable development, so researchers and businesses can meet, exchange best practises, and spur innovation. While large companies may have the means to develop their research activities in-house, this is often not the case for small- and medium-sized enterprises. Stronger and more direct links with the research community have the potential to bridge this gap.

The European Institute of Innovation and Technology (EIT), with 40 Innovation Hubs across the EU, brings together the knowledge triangle of education, research and business. Several **Knowledge and Innovation Communities (KICs)** have been launched and more are to follow. These communities **address major EU societal challenges** related to the SDGs, like climate, energy, food, health, raw materials, digital, urban mobility and advanced manufacturing. More than 1200 partners from business, research and education come together to tackle these challenges.

### 3.2.2 Finance, pricing, taxation and competition

The costs of doing nothing are huge in the medium- and long-term. At the same time, the sustainability transition entails significant investments in the short run and a comprehensive shift in how the financial system works. Achieving the SDGs is estimated to require around EUR 4.5 to 6 trillion globally.<sup>(61)</sup> Around EUR 180 billion of additional investments are needed to achieve the EU's 2030 targets agreed in Paris, including a 40% cut in greenhouse gas emissions. Public funds need to be better and more intelligently oriented towards the pursuit of the SDGs, but we cannot meet our needs without the private sector shifting to sustainability as well. Mobilising funding to finance transition has to go hand in hand with the phasing-out the funding of projects that are detrimental to a green and inclusive economic growth.

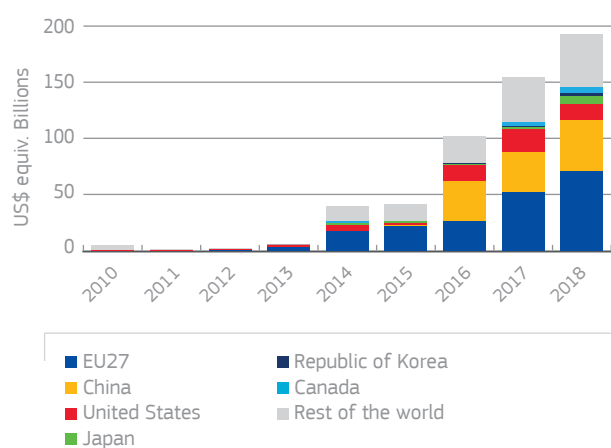
The Investment Plan for Europe aims to mobilise private finance for the public good. Launched in 2015, its financing arm, the European Fund for Strategic Investments, mobilised so far EUR 370 billion in total investment in key areas necessary for the modernisation of the European economy. This includes renewable energy, energy efficiency, research, development and innovation, as well as social infrastructure such as social or affordable housing. For the next budgetary framework from 2021 to 2027, the Commission proposed to double the budgetary resources for the social sector, including for social entrepreneurship, and finance sustainable infrastructures only. The European Investment Bank Group is already today the largest multilateral provider of climate finance worldwide, committing at least 25% of its investments to climate change mitigation and adaptation.

The Commission — based on recommendations from a high-level expert group — also set out a roadmap to

boost the role of finance in achieving a well-performing economy that delivers on environmental and social goals. The Action Plan on Sustainable Finance<sup>(62)</sup> and the legislative proposals that followed will help investors to make informed investment decisions, based on clear criteria of what is a sustainable investment. This should facilitate speeding up and scaling up broader investments in sustainable projects both in the EU and worldwide, as well as incentivise investors to step out of investments that are unsustainable.

#### Green bonds are on the rise but remain marginal to the global bond market (around 1%)

Annual green bond issuance by country



Source: World Bank, Bloomberg.

Further focus should be given to connecting sustainable finance to the real economy so that the increased demand for sustainable products and services from investors would be matched by an increased supply. Effective pricing of externalities will be key in that regard. Additional efforts should also be made to inform European citizens about the finance system, so they are more aware of the corporate activity they are funding and of how to hold fund managers to account in case their money is not managed sustainably.



### **The EU is leading a comprehensive shift of the financial system to a sustainable path through:**

- **Establishing a common language:** a unified EU classification system (“taxonomy”), to define which economic activities are sustainable and identify areas where sustainable investment can make the biggest impact.
- **Reducing the risk of greenwashing:** creating standards and labels for green financial products allowing investors easily identify investments that comply with green or low-carbon criteria.
- **Incorporating sustainability in investment advice:** requiring insurance and investment firms to advise clients on the basis of their preferences on sustainability.
- **Developing sustainability benchmarks and fostering their transparency.**
- **Clarifying institutional investors and asset managers’ duties:** ensure they take sustainability into account in their investment decisions and enhance their disclosure requirements.
- **Enhancing transparency in corporate reporting:** revising the guidelines on disclosure of non-financial information.
- **Incorporating sustainability in prudential requirements:** inclusion of a green supporting factor when it is justified from a risk perspective to safeguard financial stability.

To safeguard public authorities’ financial capacity to invest in the sustainability transition, action is also needed to achieve sustainable fiscal reform at all levels. We should strengthen the fight against tax evasion and corporate tax avoidance. Transnational cooperation is necessary to deal with the issue of tax havens that undermine the tax base of both the EU and developing countries.

More fundamentally, EU tax systems and pricing should be designed to reflect real costs, address our main social and environmental issues and trigger behavioural change throughout the economy. Sustainable competition depends on prices that reflect the true costs of production and use — internalising externalities.<sup>(63)</sup>

Regulators, business leaders and civil society need to work together to provide a level playing field in line with the SDGs and to stimulate development that leads sustainable products and services to become the most affordable ones.

This should involve changes in fiscal systems so that Member States reduce taxes on labour and increase them on capital, pollution, under-priced resources and other environmental externalities.<sup>(64)</sup> The “user pays” and “polluter pays” principles have to be applied to prevent and correct environmental degradation, and to avoid passing the burden to taxpayers. Currently, tax revenues from labour remain eight times higher than the revenues generated by environmental taxes in the EU and over the years only a limited number of EU Member States have decreased their share of labour taxes while increasing their share of environmental taxes.

**94%**



Almost all Europeans agree that big polluters have primary responsibility for repairing the damage they cause

Eurobarometer attitudes towards Environment 2017

### **External costs of transport in the EU are very significant**

The European Commission has been undertaking a study on the internalisation of external costs regarding all modes of transport and covering congestion, accidents, CO<sub>2</sub> emissions, noise, air pollution, habitat damage and comparing these costs to the costs paid by users. The objective is to assess the extent to which the “user pays” and “polluter pays” principles are implemented in the EU, and to identify options for further internalisation of the negative externalities. According to preliminary results, the overall level of external costs in transport in the EU Member States is estimated at around EUR 1000 billion annually, corresponding to almost 7% of GDP. The findings of this study, due to be completed by mid-2019, will be an important input for forthcoming debates on the future of EU transport policies.

We also need to ensure that the transition is socially just, that the costs of the transition are equitably split among taxpayers and that everyone pays their fair share. The required shifting of taxes and removal of counterproductive financial incentives such as fossil fuel subsidies can have regressive implications and hit the poor harder. Policy-makers must therefore activate all relevant levers and in addition to, for example, active labour market measures and education and training, ensure that the shift goes hand-in-hand with measures that make fiscal systems and the tax mix more progressive and take into account the most vulnerable groups.<sup>(65)</sup>

When moving forward, harmonised taxation on negative social and environmental externalities in the EU Single Market will also be important to enable the EU to shift towards a more efficient and sustainable economy and ensure a level playing field for businesses.<sup>(66)</sup> For example, today the EU's legal framework for energy taxation still contradicts the EU's environmental and climate change goals,<sup>(67)</sup> having a detrimental effect on the agreed policy objectives. Moving away from unanimity voting in the Council, in line with the Commission Communication "Towards a more efficient and democratic decision making in EU tax policy"<sup>(68)</sup> will be a necessary condition for change.

In addition, competition is an important part of the overall policy mix and of the sustainability transition. Competition policy contributes to "economic democracy" and equality. It enables affordable prices, quality and choice, and curbs entrenched economic power not maintained on merits. Evidence<sup>(69)</sup> shows that competition policy relatively favours poorer households over richer households and leads to a more efficient allocation of resources as well as driving innovation, notably at the technological frontier.

The EU State Aid policy, especially since its modernisation in recent years, has been geared towards sustainability. 94% of total State Aid in the EU was targeted at horizontal objectives of common interest, such as environmental protection, research, development, innovation and regional development. Of total spending, 54% was in support of environmental and energy savings.<sup>(70)</sup>

### 3.2.3 Responsible business conduct, corporate social responsibility and new business models

Businesses have a vital role to play in the sustainability transition. Over the last decades, both on a voluntary basis and spurred on by public authorities, an ever-growing number of companies have made environmental and social responsibility a core part of their corporate missions. More and more companies see the SDGs as an integral part of their competitiveness and growth strategy. They have understood that responsible business can lead to more sustainable profits and growth, new market opportunities, and long-term value for shareholders.



In 2017, **78%** of the world's top companies included corporate social responsibility (CSR) in their annual reporting.

KPMG Survey of Corporate Responsibility Reporting 2017 "The Road Ahead"

Given the growing complexity and globalisation of supply chains, it is important to promote the application of high sustainability standards also in third countries. Business practices, consumption and production patterns by EU businesses and consumers should not contribute indirectly to human rights violations or environmental degradation elsewhere in the world.

In the last two years, the EU has strengthened the rights of shareholders<sup>(71)</sup> and investors<sup>(72)</sup> helping them to understand both the financial and non-financial aspects of companies' performance and to enable them to better hold companies to account. The EU has also implemented new environmental and social criteria in its public procurement legislation to encourage companies to develop socially responsible products and services. The EU has adopted the Conflict Minerals Regulation<sup>(73)</sup> to ensure that EU companies import certain minerals and metals only from responsible sources that do not use profits to fund armed conflicts. In this context, the recently adopted Action Plan on Sustainable Finance is relevant too as it connects the finance system with more sustainable projects.<sup>(74)</sup>

However, there is clearly space to do more at all levels. At EU level, working to identify a number of appropriate measures and tangible ways in which more sustainable business conduct can be promoted bring further results and reinforce the EU companies' competitive edge in this area. We will have to reflect on different forms of additional incentives for businesses to integrate SDGs in their operations, including exploring the potential of emerging technologies and the circular economy. Both in its internal and external action, the EU will need to continue to promote the implementation of internationally agreed guidelines and principles on responsible business conduct such as the UN Guiding Principles on Business and Human Rights. This is also important in order to ensure an international level playing field.

Looking forward, the collaborative economy — where consumers can deal with each other directly — can make an important contribution to sustainable growth and the emergence of more sustainable business models when encouraged and developed in a responsible manner. At present the patchwork of different regulatory responses across the EU, however, creates uncertainty for traditional operators, new services providers, and consumers alike and hampers the growth of the collaborative economy in the EU and the new and innovative services that are associated with it.

Social entrepreneurship — aimed at solving community based problems, — can play an important role as well in addressing sustainability challenges, while fostering inclusive growth and job creation locally, shared prosperity, and social inclusion. Current social enterprises tend to be concentrated in specific niches — in particular in local contexts, — and struggle to scale up in the EU. Financing remains a significant issue, which is why the EU is dedicating more funding to social enterprises. As with the collaborative economy, the complex or missing regulatory framework and local-level restrictions can be an obstacle. In France, for example, a dedicated legal framework, put in place in 2014 recognised the specificities of the sector and gave a new impetus to these enterprises.

### 3.2.4 Open and rules-based trade

Open and rules-based trade is one of the best tools to increase our prosperity and that of our partners, raise our standards of living and the sustainability of our planet and our democracies. If we want to be successful in achieving a sustainable Europe in a sustainable world, it is important to use our multilateral institutions and bilateral and multilateral trade agreements to shape global standards.

Protectionist trends and a 'my country first' approach are prone to induce conflicts. Moreover, they are great obstacles to building a sustainable planet — typically an objective that requires international cooperation. For many reasons it is in the EU's vital interest to robustly support and sustain the multilateral system.

In the context of the sustainability transition we must work even more actively with like-minded partners to negotiate progressive new rules that take into account the United Nations 2030 Agenda. The latter recognises the key role of the rules-based multilateral trading system, with the World Trade Organization (WTO) at its core, in contributing to the SDGs. The EU's ongoing constructive efforts to modernise the WTO are therefore essential.

Where current powers are reneging on international trade deals, opportunities arise for the EU. This Union with the most developed internal market in the world and with close to half a billion consumers can step in where others step out, and it has done so. Moreover, it puts trade on a new and more sustainable footing. All new EU trade and investment agreements now include a chapter on sustainable development that upholds and promotes social and environmental standards. The Economic Partnership Agreement signed with Japan in July 2018 is the first agreement to elaborate on the commitments made under the Paris Climate Agreement. In September 2018, the EU and Canada agreed to work on trade and climate change in the framework of the Comprehensive Economic and Trade Agreement (CETA). The EU is negotiating gender-specific provisions in the modernisation of our Association Agreement with Chile.

---

The Juncker Commission has adopted or started implementing eight trade agreements with 15 countries, including Canada, Ukraine, Singapore, Vietnam, Japan and several African and Pacific countries<sup>(75)</sup>. The EU now has 39 EU trade agreements in place with 70 countries around the world. Provisions on trade and sustainable development have been at the heart of the EU free trade agreements since 2010.

The Commission proposed 15 points to enhance the implementation and enforcement of the Trade and Sustainable Development chapters in EU trade agreements.<sup>(76)</sup> The focus is on stronger cooperation with different actors, more effective enforcement,

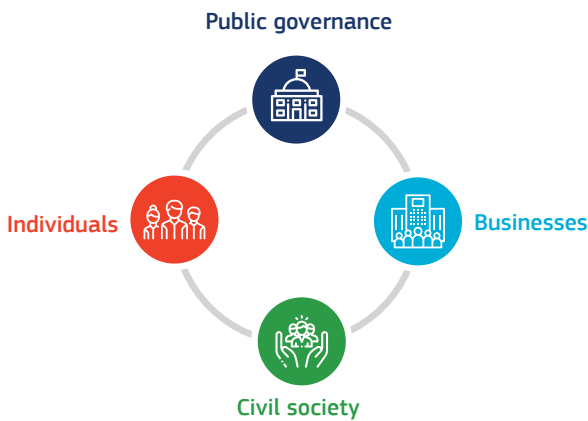
including more assertive use of sustainability chapters in the existing dispute settlement mechanism, and improved communication and transparency.

As part of its efforts to support developing countries, the EU grants unilateral trade preferences under the Generalised Scheme of Preferences. These preferences are conditional on beneficiary countries' compliance with implementation of core international conventions and agreements concerning human and labour rights, environmental protection and good governance, and hence create an incentive for developing countries to build their economic growth models on sustainable grounds. In case of serious and systematic violations of the principles of these conventions, the Commission can temporarily withdraw these preferences.

### 3.2.5 Governance and ensuring policy coherence at all levels

True sustainability change for the benefit of all Europeans through achieving the SDGs requires a comprehensive approach. The EU, its Member States and its partners need to take into account the interlinkages between the different sustainability challenges and opportunities, and support coherence between different policy areas, sectors and levels of decision-making.

#### All stakeholders have to be on board and play an active role in the sustainability transition



Respect for the rule of law, democracy and fundamental rights are ‘who we are’. These are the non-negotiable principles and values, as set out in the EU Treaties, and they form the foundations upon which we build. They are also established as an integral part of the United Nations 2030 Agenda and the SDGs. The same applies to the principles of peace, justice and robust institutions for which the EU has always been a strong advocate. These principles and common values are not self-executing and the EU, its Member States, and in fact all Europeans need to uphold, maintain and strengthen them. Social partners have an important contribution to make. This partnership needs to be maintained and strengthened in order to ensure both effective governance and adequate policy coherence.

Beyond these underlying principles, policy coherence across the board is essential, grounded in planning, evidence-based policies, inclusiveness, effectiveness, respect for subsidiarity and proportionality, and

measurement and monitoring. Better Regulation and better governance at all levels are vital too in this regard. Thorough impact assessments are necessary for all policy options, and trade-offs between the economic, social and environmental policy objectives need to be minimised and mitigated. Related implementation gaps jeopardising sustainable policy coherence should also be addressed in an effective and structural manner.

The SDGs are designed to be indivisible, and most SDGs cover several policy areas. Therefore, better cooperation across administrations needs to be accompanied by better coherence across different policy areas. Food, energy and water resources management are strongly related. The same applies to transport, air quality and health, for example. A so-called ‘nexus’ approach requires multi-sector projects at all levels that address the interlinkages between the SDGs. The European Commission has been following this approach by adopting an internal working method that breaks through silos between Commissioners and all Commission staff.

Policy coherence does not only apply at the internal level, but also to the impact of internal policies on the external dimension, and vice-versa. We must make sure not to export our ecological footprint or create poverty, inequality and instability in other parts of the world. As Europeans we are patently aware that negative impacts elsewhere will in turn have a boomerang effect on our own economy and society, for example by exacerbating the causes of migration. The EU is committed to policy coherence for development, which ensures that the impact of the EU’s internal policies on developing countries is systematically taken into consideration. Relevant monitoring has been integrated in the overall Commission’s follow-up to the United Nations 2030 Agenda.<sup>(77)</sup>

Successful policies need to set clear and measurable objectives, so that progress can be tracked, and results made publicly available. An agreement on such targets and a monitoring system could be created as a next step at EU level. The European Council welcomed the intention of the Commission to publish this Reflection Paper to pave the way for a comprehensive implementation strategy of the United Nations 2030 Agenda in 2019, which could incorporate this exercise.



Implementing the SDGs also requires effective cooperation at EU, national, regional and local levels. The recommendations of the Commission's Communication "The principles of subsidiarity and proportionality: Strengthening their role in the EU's policymaking" that followed the "Task Force on Subsidiarity, proportionality and doing less more efficiently" provide a roadmap for achieving this.<sup>(78)</sup> The Commission and other EU bodies could in particular facilitate an exchange of best practices among cities and regions, and set out the parameters for a cross-border territorial approach for delivering on the SDGs.

Civil society, the private sector and academia must of course also be part of the conversation and the implementation measures. The High Level Multi-stakeholder Platform on the SDGs, established by the European Commission in 2017,<sup>(79)</sup> has been a positive exercise for bringing together cross-cutting ideas. The Platform's input has been invaluable to the Commission's work and it is annexed to this Reflection Paper. The High Level Expert group on Sustainable

Finance is another positive example of cross-sector cooperation that was fundamental for preparing the Commission's Action Plan on Sustainable Finance.

For complex challenges with a wide range of competing interests, multi-stakeholder partnerships could be further promoted to address the interdependence between the different SDGs.

On the other end, the multi-level governance approach requires that EU efforts are well articulated at the global governance level. In implementing the SDGs we have to deal with many challenges that know no borders. A stronger "outward looking" orientation, in close cooperation with EU's partners from all over the world at all levels, is therefore necessary. At the United Nations, the High Level Political Forum plays a key role, notably in keeping track of progress. The EU as a strong advocate for multilateralism can take the lead in ensuring proper reporting on progress towards the SDGs and insisting on rigorous implementation and monitoring by all partners.

---

## 4. The EU as a global trail blazer in sustainable development

The EU and the United Nations are natural partners in the efforts to shape a safer and better world for all. We do not need more walls, but global rules respected by all. The rules-based system is the best guarantor for the sustainability of our economy and society. Only multilateral diplomacy can lead to solutions to international challenges. The EU Global Strategy for the EU's Foreign and Security Policy recognises the importance of the SDGs as a cross-cutting priority, and concerted efforts are needed by the EU and its Member States in their dealings with the rest of the world.

With the global resurgence of violent conflicts, particularly so in the last five years, we are again reminded that peace and security in the EU also depend on the EU's ability to contribute to building and sustaining peace elsewhere in the world. The EU's experience in building peace at home gives it the soft power and credibility as a global actor for sustainable peace and prosperity.

The EU must also continue sharing sustainable solutions to global problems as our policies will have only a limited impact on the planet if others pursue opposing policies. By helping and encouraging others to follow our actions, the EU can push for a level playing field, where all compete under the same conditions. Furthermore, sharing EU solutions abroad leads to more jobs and higher sustainable growth, not only in partner countries, but also within the EU itself.

Ultimately, to be most successful in the green and inclusive economic transition, we have to get our global partners on board too and make the case that a global sustainable development model based on our core values and principles is the best way to achieve shared prosperity and a sustainable world. The EU's internal work on the SDGs and its external projection are therefore two sides of the same coin. It is in the EU's interest to play a leading role in the implementation of the United Nations 2030 Agenda also globally through its external action.

The EU and its Member States are the largest donor of development and humanitarian assistance worldwide. The EU is collectively committed to increase its contribution of official development assistance to at least 0.7% of the EU's gross national income a year.

Through cooperation with 150 partner countries across the globe, the EU's development cooperation is both a means to lift people out of poverty and ensure dignity and equality, but also to create peaceful, just and inclusive societies. The protracted nature of crises calls for the EU to continue its concerted effort to simultaneously address humanitarian needs and combat the root causes of poverty, displacement, fragility and instability.

The new European Consensus on Development explicitly gears EU action towards the implementation of the United Nations 2030 Agenda, with the primary objective of eradicating poverty. One of its key strengths is that it is a joint commitment by the EU and all its Member States to work better together, including through more joint programming and more effective coordination on the ground. This new orientation should further improve with the future EU external financing instrument, expressly designed to support the implementation of the SDGs.

We will continue our active engagement with partner countries through policy dialogues based on the SDGs, accompanied by our financial assistance and development cooperation. The EU's new partnership with the countries of Africa, the Caribbean and the Pacific that will succeed the current Cotonou Agreement should work towards increased prosperity by fulfilling the SDGs. When moving forward, building a strong partnership and cooperation with Africa on an equal footing should be of particular importance of the EU and its Member States. The EU has a strong interest in an African continent that thrives economically and politically, with enhanced opportunities for growth, local employment, new business models and mutual beneficial trade relations with Europe. In parallel, the EU's engagement with more advanced developing countries in a broad range of sectors can have a significant impact on global sustainable development.

Getting the private sector fully on board and boosting sustainable investment also beyond the EU's borders remains a priority. The European External Investment Plan has created a new standard in the use of public funding to leverage private investment for sustainable development in partner countries – starting with Africa and the EU's Neighbourhood.<sup>(80)</sup> The new Africa-Europe Alliance for Sustainable Investment and Jobs,

launched in September 2018 holds great potential for unlocking sustainable investments, with the perspective of creating up to 10 million jobs in Africa in the next five years alone.

As developing countries in particular face difficulties in accessing adequate finance for their needs in sustainable infrastructure and energy efficiency, the global nature of financial markets could offer great potential in supporting all countries on their transition path by bridging local needs with global sources of funding. Aligning sustainable finance initiatives and tools across jurisdictions would ensure compatible markets for sustainable financial assets across borders, achieving economies of scale and avoiding fragmentation. This would bring new major investment opportunities for businesses and the financial sector worldwide.

The EU aims to be at the forefront of coordinating international efforts towards building a financial system that supports sustainable growth globally. To enhance cooperation and exploit synergies, it would be opportune to establish an international network of jurisdictions from both developed and developing countries that are committed to advancing sustainable finance. A coherent international strategy and architecture, leveraging the efforts of institutions such as the World Bank Group,

the Organisation for Economic Co-operation and Development, the European Investment Bank, and the European Bank for Reconstruction and Development, would contribute to scaling up sustainable finance and mobilising international investors towards sustainable investments across the globe. New financial technologies and innovative financing solutions offer additional great opportunities to link global investors with sustainable projects.

Climate change and environmental degradation are increasingly one of the biggest threats to peace and security in the world and without decisive action they will become an even greater source of global risk, including forced displacement and migration. The EU needs to lead the way, including in the rigorous implementation of the Paris Climate Agreement and in pursuing international efforts to decarbonise the transport sector. The EU could also initiate binding global agreements in the areas of circular economy, resource use and biodiversity.

Being the first mover in the green and inclusive economic transition, combined with a strong push for international rules, will allow us to set the standards for the world and give us a strong competitive advantage in the global marketplace.

---

## 5. Scenarios for the future

The EU has fully committed itself to delivering on the United Nations 2030 Agenda and its implementation. With a new five-year policy cycle on the horizon, it is time to agree how we live up to our collective commitment. The EU institutions need to decide on the structures, tools and policies they will deploy to implement and achieve the SDGs, and to help and guide our partners. There are different ideas on how best to achieve this, and each institution, Parliament, Council and the Commission, has its own responsibilities in line with the Treaties and our international commitments.

In October 2018 the European Council welcomed the intention of the Commission to publish a Reflection Paper to pave the way for a comprehensive implementation strategy in 2019.

This Reflection Paper puts forward three different scenarios following the European Council's guidance to lead the discussion on how the implementation of the SDGs could best be achieved and what would be the most effective division of roles. This reflection is intended to inform a debate among citizens, stakeholders, governments and institutions in the months ahead, with a view to inspire the preparation of the EU Strategic Agenda 2019-2024 and the priority setting of the next President of the European Commission.

All three scenarios rely on a shared premise that there is a broad recognition by EU Member States, businesses

and civil society that enhanced commitment is needed if the EU and the world are to secure a sustainable future and achieve the SDGs by 2030 and beyond in the interest of a modern economy, a clean environment, and the well-being of our citizens whilst we secure a habitable planet.

There is also agreement that while sustainability action necessitates a European scale, ultimately we can only truly succeed by a global approach. Furthermore, for the EU to continue to thrive as a prosperous continent, significant parts of the developing world need support to catch up economically and socially. In the same vein, supporting the economic progress of developing countries towards the SDGs also contributes to a broad range of EU's strategic interests, such as reducing irregular migration. The SDGs, as signed by 193 states, offer the best and most modern global and comprehensive framework to base our work on.

The European debate is now on what to do and how to do it. The three scenarios outline different responses but depart from the notion that the EU has great competitive advantages to lead globally and be a successful first mover. These scenarios are neither restrictive nor prescriptive. They aim to offer different ideas and spur debate and thinking. The eventual outcome would likely be a combination of certain elements from each.

## 5.1 SCENARIO 1:

# AN OVERARCHING EU SDG STRATEGY TO GUIDE ALL THE ACTIONS OF THE EU AND ITS MEMBER STATES

One step to respond to the challenges we face is to endorse at the highest EU political level the globally agreed SDGs as the overarching strategic policy objectives for the EU and its Member States. Such an approach would be in line with the recommendation of the High Level Multi-stakeholder Platform on the SDGs.

Under this scenario, the United Nations 2030 Agenda and the SDGs would be our compass and map and thus determine the strategic framework for the EU and its Member States.

Strategic action by the EU and the Member States, including regional and local authorities, would be pursued and effectively coordinated. A joint approach at all levels of government would be stimulated, in close cooperation with all stakeholders. This would include a strong component in the EU's relations with third countries to further international sustainability action.

This also implies the establishment of a 'European process for SDG policy coordination' to regularly assess and monitor progress in implementation, reflecting the cross-cutting nature and inter-connectivity between the SDGs, including in the internal governance of the European Commission.





### *What this could mean in practice*

- Specific SDG implementation targets are defined at EU level and an overarching EU SDG Strategy is implemented by the Commission, the European Parliament and the Council;
- Comprehensive national SDG strategies are developed at national level;
- Concrete and time-bound deliverables for 2030 are proposed by the Commission and endorsed by the European Council;
- The “sustainability first” principle is integrated into the Better Regulation Agendas of the EU and its Member States;
- A mechanism of reporting and monitoring of SDG progress at EU and Member State level is established and coordinated, for instance in the context of the European Semester;
- The role of the Multi-stakeholder Platform on the SDGs is strengthened with a specific role in the monitoring of the implementation of the SDGs;
- The EU further strengthens its external action on sustainability and gears all external policy actions towards the implementation of the SDGs.



### *Pros and Cons*

- + Creating a strong common positive vision for the sustainable future of Europe across the EU;
  - + Strengthening political ownership and enhancing coordination across all levels of governance within the EU and, given the cross-border nature of the identified EU challenges, a better possibility to achieve the United Nations 2030 Agenda and green and inclusive growth for the EU;
  - + Providing a strong signal at international level that the EU is fully committed to its international obligations and the United Nations 2030 Agenda and the SDGs, both internally and externally;
  - + Clear and transparent communication and engagement with stakeholders.
- 
- Risk that the approach is not tailored enough to the specificities and challenges of individual Member States’ as the strategic framework could not take into consideration all the differences;
  - Given the complexity of agreeing on EU-wide deliverables in all the different areas of the SDGs, risk of dedicating a lot of time on strategy development instead of moving ahead in concrete policy areas at all levels that would make a difference.

## 5.2 SCENARIO 2:

# CONTINUED MAINSTREAMING OF THE SDGs IN ALL RELEVANT EU POLICIES BY THE COMMISSION, BUT NOT ENFORCING MEMBER STATES' ACTION

Under this scenario, the SDGs will continue to inspire our political decision-making with regard to the EU's policy making, and guide the development of the post-EU2020 growth strategy, while not binding EU Member States to achieving collectively the SDG commitments in the EU.

In the European Commission this could mean that a member of the College is granted a broad responsibility for 'sustainability'. This Commissioner could continue working together with other Commissioners in a dedicated project team involving all the Commissioners. To ensure policy coherence, close cooperation with other project teams of Commissioners would have to be sought.

Through its Better Regulation Agenda, the Commission would continue pursuing an inclusive and evidence-based decision-making process. Combined with stronger SDG mainstreaming of the European Semester in line with the post-EU2020 growth strategy, the EU's policy coherence is reinforced and it is ensured that the EU moves closer to the SDGs.

However, this approach would leave more freedom to Member States, and regional and local authorities as to whether and how they adjust their work to delivering in a consistent manner on the SDGs.



## What this could mean in practice

- Using the SDGs to guide the development of the post-EU2020 growth strategy, focussing on areas with most EU added-value, such as circular economy; research and innovation; employment and social inclusion; climate and energy; food systems, farming and land use; and cohesion policy;
- Mainstreaming the SDGs through EU policies and actions, through the Better Regulation Agenda, adapted to fit the specific EU context with shared competences with Member States;
- Using the Multiannual Financial Framework (MFF) to provide part of the necessary additional funding for delivering on the sustainability mainstreaming approach; Member States commit to doing the same;
- The SDGs and relevant EU targets are included in the European Semester process where relevant to the post-2020 growth strategy;
- If and once the EU Free Trade Agreements are modernised and future trade agreements are negotiated, the trade and sustainability chapters are reinforced where necessary and effectively enforced;
- The EU monitors the SDG implementation through the Eurostat SDG progress analysis, which will continue to be developed. Member States prepare annual national monitoring reports;
- Member States retain the key responsibility for reporting on SDG implementation, with a complementary EU reporting from European Commission on SDG progress at international level to the UN High Level Political Forum on Sustainable Development.



## Pros and Cons

- + Since the most critical areas for the EU for achieving the SDGs are broadly clear, EU can focus on setting strategic priorities and delivering concrete results in the areas with most EU added value;
  - + EU level decision-making is quicker and the negotiations on strategic priorities more consensual;
  - + The EU continues to be a global advocate for the United Nations 2030 Agenda and the SDGs.
- 
- Policy coherence for sustainable development between EU policies and between EU and national policies would be more difficult to ensure;
  - Risk that fulfilment of sustainability commitments by the EU and its Member States as a whole cannot be accomplished and Member States' action cannot be enforced;
  - Individual Member State actions in certain key areas, instead of stronger coordinated EU-level action, could affect the single market and global competitiveness;
  - Risk that a gap could open up between the EU's political commitment to the SDGs and its effective output.

### 5.3 SCENARIO 3:

## PUTTING ENHANCED FOCUS ON EXTERNAL ACTION WHILE CONSOLIDATING CURRENT SUSTAINABILITY AMBITION AT EU LEVEL

External action would be prioritised in the context of the SDGs. As the EU is already a frontrunner in many aspects related to the SDGs, enhanced focus could be placed on helping the rest of the world catch up, while pursuing improvements at EU level.

Our social market economy has become an EU trademark, and has allowed the economies of the EU Member States to generate wealth and broad-based prosperity thanks to strong social welfare systems. The EU has some of the world's highest environmental standards already, and our businesses are ahead of the curve compared to global competitors. The EU is also seen as a stronghold for freedom and democracy, with stable institutions based on the rule of law and a vibrant civil society. The EU could therefore decide to promote more strongly its current environmental, social and governance standards through multilateral negotiations and trade agreements.

The EU could also further intensify its collaboration with key international organisations and forums, such as the United Nations, including the International Labour Organisation, the World Trade Organisation, and the G20 as well as the supervisory bodies of multilateral environmental agreements, to advance the EU's values-based external policy agenda.

The EU's stance in support of multilateralism — with the United Nations at its core — and transparent and reliable international relations would continue to be prioritised.



### *What this could mean in practice*

- Mainstreaming of SDGs in EU external policies continues, recognising different needs and interests of partners, while internal adjustments are more limited;
- The EU provides regular detailed reporting and monitoring of SDG progress on the external action of the EU at international level in the United Nations;
- If and once the EU Free Trade Agreements are modernised and future trade agreements are negotiated, the trade and sustainability chapters are reinforced where necessary and effectively enforced;
- The implementation of the Global Strategy for the EU's Foreign and Security Policy and of the new European Consensus on Development is reinforced;
- Strengthened European defence, space, security and migration policy are promoted as enabling policies for the reinforced external policy agenda for sustainable development;
- New forms of sustainable financing and development such as the External Investment Plan are reinforced.



### *Pros and Cons*

- + EU concentrates its resources on those countries or regions most in need, while pursuing adjustments to EU policies through SDG mainstreaming, without a dedicated strategic framework;
- + EU external action is consistent with its objectives to promote sustainability, democracy, human rights, the rule of law and fundamental freedoms in the world.
- Risk that this approach would erode the EU's political credibility and leadership on the United Nations 2030 Agenda and the SDGs at home and globally, at a time when multilateralism is under strain. One of the key features of the United Nations 2030 Agenda, which the EU actively promoted, is that it is universal;
- The EU misses out on the possibility to develop a positive vision for the future of Europe centred on sustainability;
- The EU does not use the first-mover advantage to establish EU sustainability standards for the world to follow and risks that the benefits of sustainable growth are reaped by others in the global marketplace;
- The consolidation of the current EU SDG policy approach risks not meeting citizens' evolving expectations and ambitions.



---

## Notes

1. UN Secretary-General Ban Ki-moon at the summit for the adoption of the post-2015 development agenda, in New York, 25 September 2015. Available at: <https://www.un.org/press/en/2015/sgsm17111.doc.htm>
2. OJ C 202, 7.6.2016.
3. European Commission, My Region, My Europe, Our Future: Seventh report on economic, social and territorial cohesion, 2017. Available at: [https://ec.europa.eu/regional\\_policy/sources/docoffic/official/reports/cohesion7/7cr.pdf](https://ec.europa.eu/regional_policy/sources/docoffic/official/reports/cohesion7/7cr.pdf).
4. Helliwell, J., Layard, R., & Sachs, J. (2018). World Happiness Report 2018, New York: Sustainable Development Solutions Network.
5. Eurostat, quality of life indicators. Available at: [https://ec.europa.eu/eurostat/statistics-explained/index.php/Quality\\_of\\_life\\_indicators](https://ec.europa.eu/eurostat/statistics-explained/index.php/Quality_of_life_indicators).
6. European Youth Forum, Youth Progress Index 2017. Available at: <https://www.youthforum.org/youth-progress-index>.
7. Annex 1 to the Reflection Paper highlights in more detail the major initiatives of the Juncker Commission contributing to the United Nations 2030 Agenda and Paris Agreement on Climate Change.
8. COM(2018) 773 final.
9. COM(2010) 2020 final.
10. EUCO 13/18.
11. COM(2016) 739 final.
12. Annual Growth Survey 2018, COM(2017) 690 final.
13. European Commission, European Economic Forecast Autumn 2018. Available at: [https://ec.europa.eu/info/sites/info/files/economy-finance/ip089\\_en\\_0.pdf](https://ec.europa.eu/info/sites/info/files/economy-finance/ip089_en_0.pdf).
14. Global Footprint Network. Available at: <https://www.footprintnetwork.org/our-work/ecological-footprint/>.
15. European Commission, Raw Materials Scoreboard 2018.
16. WWF, Living Planet Report, 2018: Aiming Higher. Grooten, M. and Almond, R.E.A.(Eds). WWF, Gland, Switzerland.
17. European Environmental Agency (2017), “Food in a green light. A systems approach to sustainable food”.
18. SWD(2016) 319 final.
19. COM(2019) 1.
20. In-depth analysis in support of the Commission Communication COM(2018)773.
21. Dante Disparte, “If You Think Fighting Climate Change Will Be Expensive, Calculate the Cost of Letting It Happen”, 12 June 2017, Harvard Business Review online. Available at <https://hbr.org/2017/06/if-you-think-fighting-climate-change-will-be-expensive-calculate-the-cost-of-letting-it-happen>.
22. Eurostat, Sustainable development in the European Union, Monitoring Report on Progress towards the SDGs in an EU Context, 2018 edition.
23. [https://ec.europa.eu/food/safety/food\\_waste\\_en](https://ec.europa.eu/food/safety/food_waste_en).
24. Eurostat, Sustainable development in the European Union, Monitoring Report on Progress towards the SDGs in an EU Context, 2018 edition.
25. Eurostat, Sustainable development in the European Union, Monitoring Report on Progress towards the SDGs in an EU Context, 2018 edition.

26. Food and Agriculture Organization of the UN (FAO), 2016, Antimicrobial resistance and our food systems: challenges and solutions. Available at: <http://www.fao.org/3/a-i6106e.pdf>.
27. European Institute for Gender Equality (2017), Gender Equality Index 2017 — Measuring gender equality in the European Union 2005-2015. Available at: <https://eige.europa.eu/news-and-events/news/gender-equality-index-2017-progress-snails-pace>.
28. European Commission, 2018 Report on equality between women and men in the EU.
29. OECD(2015), In It Together: Why Less Inequality Benefits All. Available at: <http://www.oecd.org/social/in-it-together-why-less-inequality-benefits-all-9789264235120-en.htm>.
30. International Organisation for Migration, “Migration, Environment and Climate Change: Assessing the Evidence”, 2009.
31. 7<sup>th</sup> Environment Action Programme. Available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32013D1386>.
32. Eurostat, Environmental economy – statistics on employment and growth. Available at: <https://ec.europa.eu/eurostat/statistics-explained/pdfscache/10420.pdf>. The environmental economy encompasses two broad groups of activities and/or products: ‘environmental protection’ all activities related to preventing, reducing and eliminating pollution and any other degradation of the environment; ‘resource management’ — preserving and maintaining the stock of natural resources and hence safeguarding against depletion.
33. S. Fankhauser, A. Bowen et al. “Who will win the green race? In search of environmental competitiveness and innovation”, 2013.
34. Business and Sustainable Development Commission, “Better Business Better World, The report of the Business & Sustainable Development Commission”, January 2017.
35. EU Environmental Implementation Review 2017.
36. Among others: Intergovernmental Panel on Climate Change “Global warming of 1.5 °C: an IPCC special report on the impacts of global warming of 1.5 °C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty”, 2018; Sachs, J., Schmidt-Traub, G., Kroll, C., Lafortune, G., Fuller, G. (2018): SDG Index and Dashboards Report 2018. New York: Bertelsmann Stiftung and Sustainable Development Solutions Network (SDSN); Europe moving towards a sustainable future, Contribution of the Multi-Stakeholder Platform on the implementation of the Sustainable Goals in the EU Reflection Paper, October 2018.
37. Eurostat, Sustainable development in the European Union, Monitoring Report on Progress towards the SDGs in an EU Context, 2018 edition.
38. “Growth within: A circular economy vision for a competitive Europe”, Ellen MacArthur Foundation and the McKinsey Center for Business and Environment, 2015.
39. European Parliament, Towards a circular economy — Waste management in the EU, 2017, European Parliamentary Research Service.
40. SITRA, The circular economy - a powerful force for climate mitigation, 2018. Available at: <https://www.sitra.fi/en/publications/circular-economy-powerful-force-climate-mitigation/>.
41. COM/2018/028 final.
42. COM/2018/340 final.
43. Business and Sustainable Development Commission, “Better Business Better World, The report of the Business & Sustainable Development Commission”, January 2017.

44. Business and Sustainable Development Commission, “Better Business Better World, The report of the Business & Sustainable Development Commission”, January 2017.
45. Food and Agriculture Organization of the UN (FAO), Green jobs. Available at: <http://www.fao.org/rural-employment/work-areas/green-jobs>.
46. Eurostat, Sustainable development in the European Union, Monitoring Report on Progress towards the SDGs in an EU Context, 2018 edition.
47. European Commission, Monitoring Agri-trade Policy, MAP 2018-1, “Agri-food trade in 2017: another record year for EU agri-food trade”.
48. Available at: <https://ec.europa.eu/commission/publications/natural-resources-and-environment>.
49. Available at: [https://ec.europa.eu/health/amr/sites/amr/files/amr\\_action\\_plan\\_2017\\_en.pdf](https://ec.europa.eu/health/amr/sites/amr/files/amr_action_plan_2017_en.pdf).
50. In-depth analysis in support of the Commission Communication COM(2018) 773 — A Clean Planet for all — A European long-term strategic vision for a prosperous, modern, competitive and climate neutral economy. Production of meat has one of the largest land requirement per calorie. The shift and reduction in meat consumption will free additional land.
51. The energy efficiency of refrigerators has increased significantly over the last 10 years (the same is true for washing machines, dishwashers, televisions, for example). This also means people are buying more efficient products. Top ten based on GFK data.
52. COM(2016) 377.
53. We devoted up to 9.6% of Europe’s GDP to health care in 2017, thus pursuing efficiency in health spending and tackling wasteful spending is increasingly important.
54. COM(2017) 206.
55. United Nations, Sustainable Development Goals, Goal 11: Make cities inclusive, safe, resilient and sustainable. Available at: <https://www.un.org/sustainabledevelopment/cities/>.
56. European Commission, The Role of Science, Technology and Innovation Policies to Foster the Implementation of the Sustainable Development Goals (SDGs), Report of the Expert Group “Follow-up to Rio+20, notably the SDGs”, 2015.
57. COM(2018) 22 final.
58. In November 2018, the European Commission launched AI Watch in order to monitoring AI-related developments in the EU and worldwide and provide necessary analytical basis for further action.
59. European Commission “USA-China-EU plans for AI: where do we stand?” January 2018. Available at: [https://ec.europa.eu/growth/tools-databases/dem/monitor/sites/default/files/DTM\\_AI%20USA-China-EU%20plans%20for%20AI%20v5.pdf](https://ec.europa.eu/growth/tools-databases/dem/monitor/sites/default/files/DTM_AI%20USA-China-EU%20plans%20for%20AI%20v5.pdf).
60. Jiaxuan You, Xiaocheng Li, Melvin Low, David B. Lobell, Stefano Ermon, “Sustainability and Artificial Intelligence Lab, Combining Remote Sensing Data and Machine Learning to Predict Crop Yield”. Available at: <http://sustain.stanford.edu/crop-yield-analysis>.
61. The United Nations Conference on Trade and Development. Available at: <http://www.eurasia.undp.org/content/rbec/en/home/blog/2017/7/12/What-kind-of-blender-do-we-need-to-finance-the-SDGs-.html>.
62. [The Action Plan on Sustainable Finance](https://ec.europa.eu/info/publications/180524-proposal-sustainable-finance_en). Available at: [https://ec.europa.eu/info/publications/180524-proposal-sustainable-finance\\_en](https://ec.europa.eu/info/publications/180524-proposal-sustainable-finance_en).
63. Business and Sustainable Development Commission, “Better Business Better World, The report of the Business & Sustainable Development Commission”, January 2017.

64. Business and Sustainable Development Commission, “Better Business Better World, The report of the Business & Sustainable Development Commission”, January 2017.
65. Tax Policies in the European Union: 2018 Survey. Available at: [https://ec.europa.eu/taxation\\_customs/business/company-tax/tax-good-governance/european-semester/tax-policies-european-union-survey\\_en](https://ec.europa.eu/taxation_customs/business/company-tax/tax-good-governance/european-semester/tax-policies-european-union-survey_en). In December 2018, the Commission launched a study looking at megatrends (climate change, digitalization, population aging etc.) and their impact on EU economies, particularly the sustainability of EU tax systems.
66. COM(2019) 8 final.
67. COM(2019) 8 final.
68. COM(2019) 8 final.
69. Dierx, Adriaan, Ilzkovitz, Pataracchia, Ratto, Thum-Thysen and Varga (2017), “Does EU competition policy support inclusive growth?”, Journal of Competition Law & Economics, Vol. 13, No. 2; OECD Factsheet on how competition policy affects macro-economic outcomes (October 2014); Fabienne Ilzkovitz and Adriaan Dierx, “Ex-post economic evaluation of competition policy enforcement: A review of the literature”, DG Competition, June 2015.
70. [http://ec.europa.eu/competition/state\\_aid/scoreboard/index\\_en.html](http://ec.europa.eu/competition/state_aid/scoreboard/index_en.html).
71. Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement (Text with EEA relevance).
72. Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups (Text with EEA relevance).
73. The Conflict Minerals Regulation (EU) 2017/821.
74. [https://ec.europa.eu/info/publications/180524-proposal-sustainable-finance\\_en#investment](https://ec.europa.eu/info/publications/180524-proposal-sustainable-finance_en#investment). A more comprehensive picture of recent EU progress on CSR/RBC and Business and Human Rights will be presented in early 2019 in the context of EU Industry Days.
75. Cameroon, Côte d’Ivoire, Ghana, and the SADC EPA countries Botswana, Lesotho, Mozambique, Namibia, South Africa and Swaziland.
76. Non-paper of the Commission services. Available at: [http://trade.ec.europa.eu/doclib/docs/2018/february/tradoc\\_156618.pdf](http://trade.ec.europa.eu/doclib/docs/2018/february/tradoc_156618.pdf).
77. Progress is outlined in the 2019 EU report on policy coherence for development, published together with this Reflection Paper: European Commission Staff Working Document (2019) 20.
78. COM(2018) 703 final. Available at: [https://ec.europa.eu/info/sites/info/files/communication-principles-subsidiarity-proportionality-strengthening-role-policy-making\\_en.pdf](https://ec.europa.eu/info/sites/info/files/communication-principles-subsidiarity-proportionality-strengthening-role-policy-making_en.pdf) and [https://ec.europa.eu/commission/priorities/democratic-change/better-regulation/task-force-subsidiarity-proportionality-and-doing-less-more-efficiently\\_en](https://ec.europa.eu/commission/priorities/democratic-change/better-regulation/task-force-subsidiarity-proportionality-and-doing-less-more-efficiently_en).
79. Available at: [https://ec.europa.eu/info/strategy/international-strategies/global-topics/sustainable-development-goals/multi-stakeholder-platform-sdgs\\_en](https://ec.europa.eu/info/strategy/international-strategies/global-topics/sustainable-development-goals/multi-stakeholder-platform-sdgs_en).
80. With over EUR 37 billion leveraged since its inception in September 2017, it is well on track to leverage the 2020 objective of EUR 44 billion of investments for sustainable development by 2020.



---

# Annex I

THE JUNCKER COMMISSION'S CONTRIBUTION TO  
THE SUSTAINABLE DEVELOPMENT GOALS







# The Juncker Commission's contribution to the Sustainable Development Goals

---

The 2030 Agenda for Sustainable Development that the United Nations adopted on 25 September 2015 sets out a global framework for achieving sustainable development by 2030. It includes an ambitious set of 17 Sustainable Development Goals (SDGs) and 169 associated targets, for countries and stakeholders to take forward.

The EU was instrumental in shaping the United Nations 2030 Agenda for Sustainable Development and, together with its Member States, has committed to being a frontrunner also in its implementation, both within the EU and by supporting implementation efforts in other countries, in particular those most in need, through its external policies.

Key aspects of sustainable development feature in all of the Juncker Commission's 10 priorities: jobs, growth and investment (priority 1); a digital single market (priority 2); making energy more secure, affordable and sustainable (priority 3); a deeper and fairer internal market (priority 4); a deeper and fairer economic and monetary union (priority 5); open and fair trade (priority 6); justice and fundamental rights (priority 7); migration (priority 8); a stronger global actor (priority 9); a union of democratic change (priority 10).

Since the start of its mandate in November 2014, the Juncker Commission has mainstreamed sustainable development into key crosscutting agendas as well as sectoral policies and initiatives, using its better regulation tools. All Commission impact assessments preceding legislative proposals include the analysis of social, environmental and economic impacts with the view to duly consider and factor in sustainable development considerations. Furthermore, all recent EU trade agreements include a chapter on sustainable development with the view to promote sustainable growth and development and decent work for all.

The Juncker Commission has planted a number of most important seeds for the next generation policies for sustainable European future – from the European

Pillar of Social Rights, the European Consensus on Development, the global strategy on foreign and security policy to the values-based trade for all strategy, strategic engagement for gender equality and a European Education Area; from the circular economy package, the mobility and clean energy packages to the blue growth strategy; from the 'Investment Plan for Europe' and the sustainable finance action plan to the urban agenda for the EU and nature action plan, to name a few. The Commission has also proposed to strengthen the link between EU funding and the rule of law, assess all EU co-funded research and innovation activities for their environmental and social impacts, as well as to adopt a more ambitious climate expenditure target for the future EU budget. Most recently, the Commission presented the European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy by 2050, which paves the way for a structural shift of the European economy, driving growth and employment while reaching climate neutrality. This will require breakthrough solutions and investment in research and innovation.

This document provides an overview of the contributions of the Juncker Commission to the United Nations 2030 Agenda for Sustainable Development, first outlining the main policy highlights and then providing a list of different actions that have been taken on each of the SDGs.

While the focus of this Annex is on the initiatives of the Juncker Commission, it goes without saying that many other EU policies, which were already in place before this Commission took office, have been contributing to the achievement of the SDGs. The Charter of Fundamental Rights of the EU, the EU biodiversity strategy to 2020, the clean air package, the continued implementation of the corporate social responsibility strategy, the European health insurance card, the rules on the sustainable use of pesticides and the EU rules on tobacco products are only a few examples.

---

## Policy Highlights



### *The European Pillar of Social Rights*

---

The European Pillar of Social Rights of November 2017 sets out 20 principles directly aimed at promoting upward convergence towards better working and living conditions in Europe. It helps to tackle poverty in all its dimensions and to ensure fair, adequate and sustainable welfare systems. It supports equal opportunities and access to the labour market including gender equality and fair working conditions, and promotes social inclusion and protection. It is accompanied by a Social Scoreboard, which together with other tools contributes to its monitoring.

Implementing the principles and rights set out in the European Pillar of Social Rights will also make an essential contribution to a sustainable Europe, by providing active support to secure employment and fair wages that provide for a decent standard of living, and by helping to equip people with 21st century skills, giving them access to high-quality jobs and countering the impact of demographic ageing on the labour market and social protection systems. While supporting competitiveness and innovation, the European Pillar of Social Rights will promote social fairness, equal opportunities, social dialogue and access to good quality care services, including affordable quality healthcare for all, child and long-term care, housing assistance and other essential services.



### *EU action for gender equality*

---

In 2015, the Commission adopted a strategic engagement for gender equality 2016-2019. This is the framework for the Commission's continuing work to promote gender equality and women's empowerment. The European Pillar of Social Rights confirmed the EU's commitment to equality of treatment and opportunities between men and women in all areas. In 2017, the Commission put forward a comprehensive work-life balance package of legislative and policy measures, encouraging more female labour market participation.

The EU's gender action plan 2016-2020 is the EU's framework for promoting gender equality and women and girls' empowerment in our external relations with third countries, as well as in international fora and agendas. The EU puts its gender action plan into practice through the revised European neighbourhood policy and its development policy.



### *The EU youth strategy*

---

In May 2018, the Commission presented ideas on 'Engaging, Connecting and Empowering young people' for a new EU youth strategy, which was endorsed by the Council in November 2018. The new framework for cooperation on youth 2019-2027, aims to bring the EU closer to young people and to help address issues of concern to them. The new EU youth strategy aims to encourage young people's participation in civic and democratic life (engage); to connect young people across the EU and beyond to promote volunteering, opportunities to learn abroad, solidarity and intercultural understanding (connect); and to support youth empowerment through boosting innovation in, as well as the quality and recognition of youth work (empower). The instruments proposed to reach the strategy's goals include a renewed youth dialogue, the use of national activities planners, as well as a Council work plan for youth for 2019-2020.

The Commission also helps Member States to boost youth employment. Each year, more than 3.5 million young people registered in the youth guarantee receive an offer of employment, continued education, traineeship or apprenticeship.



### **Linking EU funding and respect for the rule of law**

---

The Commission's proposal for the next multiannual European budget for the period 2021-2027 is a budget guided by the principles of prosperity, sustainability, solidarity and security.

The proposal includes a new mechanism to strengthen the link between EU funding and the rule of law. Generalised deficiencies in the rule of law in a Member State have serious consequences for sound financial management and effective EU funding. This is not a sanction mechanism: this is a budgetary tool, which allows protecting the EU budget and ensuring sound financial management, while promoting the rule of law.



### **The Investment Plan for Europe / Juncker Plan**

---

After the global economic and financial crisis, the EU was suffering from low levels of investment. The 'Investment Plan for Europe', the so-called 'Juncker Plan', aims to remove obstacles to investment, provide visibility and technical assistance to investment projects, and make smarter use of financial resources.

In July 2018, the 'Juncker Plan's European Fund for Strategic Investments reached its initial target of EUR 315 billion investment and by December 2018 it has mobilised EUR 371 billion in additional investment across the EU since 2015. It has already supported more than 750,000 jobs. The figure is set to rise to 1.4 million jobs by 2020. More than 850,000 small and medium-sized businesses (SMEs) are benefiting from improved access to financing. At least 40% of European Fund for Strategic Investments financing under the infrastructure and innovation window supports project components that contribute to climate action in line with the Paris Climate Agreement.



### **Horizon 2020 – the EU's research and innovation programme**

---

'Horizon 2020' is the largest programme in the world promoting cooperation in science, technology & innovation in the EU and beyond.

Almost EUR 77 billion of funding is available over seven years (2014 to 2020) for 'Horizon 2020' - the current Framework programme for research and innovation - in addition to the private and national public investment that this money will attract. More than 60% of this budget is invested in sustainable development. An even larger budget is proposed for its successor programme 'Horizon Europe'.

'Horizon 2020' aims to help to achieve smart, sustainable and inclusive economic growth. The goal is to ensure that the EU produces world-class science and technology, which benefit the economy, the society and the environment alike, removes barriers to innovation and makes it easier for the public and private sectors to work together in delivering solutions to the big challenges facing our society.



### **Financing sustainable growth**

As our planet increasingly faces the unpredictable consequences of climate change and resource depletion, urgent action is needed to adapt to a more sustainable model. Around EUR 180 billion of additional investments a year are, according to estimates, needed to achieve the EU's 2030 targets agreed in Paris, including a 40% cut in greenhouse gas emissions.

This is why, in March 2018, the Commission adopted a sustainable finance action plan to boost the role of finance in promoting a well-performing economy that delivers on environmental and social goals as well. By doing so, the EU is allowing the financial sector to throw its full weight behind achieving the SDGs.

#SustainableFinanceEU



### **Circular economy action plan**

In a circular economy the value of products, materials and resources is maintained in the economy for as long as possible, and the generation of waste minimised (e.g. food waste, plastics, marine litter). The wider benefits of a circular economy include the creation of new competitive advantages and the lowering of the need for scarce resources, energy consumption and carbon dioxide emission levels.

The actions delivered by the Commission since the adoption of the circular economy action plan in 2015 support a circular economy in each step of the value chain. With its circular economy package, the EU is giving a clear signal to economic operators and society on the way forward. Action at EU level can drive investments, create a level playing field, and remove obstacles in the single market.



### **A clean planet for all - the long-term vision for a prosperous, modern, competitive and climate neutral economy by 2050**

The long-term vision for a prosperous, modern, competitive and climate neutral economy by 2050, adopted by the Commission in November 2018, shows how Europe can lead the way to climate neutrality by modernising the energy system, investing into realistic technological solutions, empowering citizens, and aligning action in key areas such as industrial policy, finance, circular economy, and research – while ensuring social fairness and support for a just transition. In full consistency with the SDGs, it also outlines a number of strategic building blocks for the transition to a climate-neutral EU.

The purpose of the long term vision is to set the direction of travel of EU climate policy and open a thorough debate as to how the EU should prepare itself towards a 2050 horizon with the aim to submit by 2020 an ambitious EU long-term strategy to the UN Framework Convention on Climate Change by 2020.



### **Paris Climate Agreement — Clean energy for all Europeans package**

Europe was instrumental in concluding the first-ever universal, legally binding climate agreement in Paris, which sets out a global action plan to tackle climate change. The EU has agreed to cut at least 40% in greenhouse gas emissions by 2030 compared with 1990.

It led the way for the clean energy for all Europeans package, spurring the clean energy transition and the modernisation of the energy system to allow the achievement of the Paris goals.

The clean energy transition and the fight against climate change will significantly transform the way we produce and consume energy. It will affect the various sectors and regions differently. Carbon-intensive business models such as coal mining stand to become less economical and ultimately will be phased out.

The Commission therefore launched dedicated initiatives to address the social and economic challenges faced by the citizens in coal regions. They support the development of transition strategies, concrete projects for structural diversification and technology transition. Support actions for 41 regions with coal mining activities across 12 Member States aims turning transition into opportunities boosting innovation, investment and new skills.



### **Europe on the Move**

Following the low-emission mobility strategy, the Commission has adopted three 'Europe on the Move' mobility packages respectively in 2017 and 2018. 'Europe on the Move' is a wide-ranging set of initiatives that will make traffic safer; encourage smart road charging; reduce CO<sub>2</sub> emissions, air pollution and congestion; cut red-tape for business; fight illicit employment and ensure proper conditions and rest times for workers. The long-term benefits of these measures will extend far beyond the transport sector by promoting growth and job creation, strengthening social fairness, widening consumer's choices and firmly putting Europe on the path towards zero emission.

The last 'Europe on the Move' package sets out a positive agenda and aims to allow all Europeans to benefit from safer traffic, less polluting vehicles and more advanced technological solutions, while supporting the competitiveness of the EU industry. To this end, the initiatives included an integrated policy for the future of road safety with measures for vehicles and infrastructure safety; the first ever CO<sub>2</sub> standards for heavy-duty vehicles; a strategic action plan for the development and manufacturing of batteries in Europe and a forward-looking strategy on connected and automated mobility.



### **EU plastics strategy**

Healthy oceans are fundamental to our existence. They are an essential source of food and income for around 40% of the global population. Our climate, water and oxygen are all ultimately provided and regulated by the sea.

The EU's international ocean governance agenda established an overarching framework for strengthening international ocean governance to ensure oceans are safe, secure, clean, legally and sustainably used. One of the actions included in the ocean governance agenda was the fight against marine litter.

In May 2018, the Commission proposed new EU-wide rules to target the 10 single-use plastic products most often found on Europe's beaches and seas, as well as lost and abandoned fishing gear. Together these constitute 70% of all marine litter items.

Other initiatives in relation to plastics include measures to prevent littering; making the plastics economy circular; tackling sea-based sources of marine litter; and ensuring we better understand and monitor marine litter.





### *EU action plan for nature, people and the economy*

The birds and habitats laws are the EU nature protection flagships. They establish the largest coordinated network of biodiversity-rich protected areas in the world ('Natura 2000') which contribute to the EU economy through water purification, carbon storage, pollination or tourism ('ecosystem services') corresponding to between 1.7 and 2.5% of EU GDP.

In April 2017, the Commission adopted an 'Action plan for nature, people and the economy' to ensure the laws' full implementation on the ground and thereby improve the protection of nature for the benefits of EU citizens and the economy.

The action plan foresees 15 main actions to be carried out by 2019 along four key priorities: improving knowledge and guidance to ensure better coherence with socio-economic activities; completing the network and ensuring it is effectively managed; strengthening investments in 'Natura 2000' and ensuring increased funding; engaging citizens, stakeholders and local communities.



### *The urban agenda for the EU*

Cities in Europe are at the heart of many of today's economic, environmental and social challenges. Over two thirds of EU citizens live in urban areas while about 85% of the EU's GDP is generated in cities.

The urban agenda for the EU launched in May 2016 is pivotal in ensuring that urban areas act as catalysts for innovative sustainable solutions promoting the transition to low-carbon and resilient societies. The urban agenda for the EU is a joint effort of the Commission, Member States and European cities, to better ensure the consideration of the impact of policies in urban areas. It also aims to strengthen the resilience of urban settings by preventing disasters and climate related risks.

The urban agenda for the EU is reinforced by Commission initiatives that promote long-term energy and climate action at local level such as the Covenant of Mayors. Based on this European initiative, the Global Covenant of Mayors for climate and energy was established in 2016 gathering 10.28% of the global population in an alliance supporting action to combat climate change and move to a low emission society.



### *Skills agenda for Europe*

With the new skills agenda for Europe, Europe invests in people so that they can face the future with confidence. By delivering on the 10 actions of the skills agenda, the Commission is helping to equip people with the right skills to keep on top of changes in society and in the labour market. Europe is also making skills more visible and comparable and gathering intelligence on skills needs in occupations and sectors across Europe. The Commission has also supported European countries to step up their assistance to adults who struggle with basic skills. Initiatives have been launched to prepare people for the digital revolution and the future of work. Finally, the Commission has created the European vocational skills week to raise awareness of the many opportunities that vocational education and training offers. Since 2016, these successful annual campaigns have helped millions of young people and adults discover that vocational education and training is a first or equal choice.



### **A sustainable EU bioeconomy to strengthen the connection between economy, society and the environment**

---

We live in a world of limited resources. Global challenges like climate change, land and ecosystem degradation, coupled with a growing population force us to seek new ways of producing and consuming our biological resources that respect the ecological boundaries of our planet. With a turnover value of EUR 2.3 trillion and accounting for 8.2% of the EU's workforce, the bioeconomy is a key component of the EU economy.

The updated bioeconomy strategy will launch 14 actions paving the way to a more innovative, resource efficient and competitive society reconciling food security with the sustainable use of biotic renewable resources, while ensuring environmental protection. It will strengthen the bio-based sectors and develop new technologies to turn biowaste into value, provide benefits to rural communities and ensure that the bioeconomy operates within the ecological boundaries.



### **The EU cohesion policy**

---

The EU cohesion policy is the EU's main investment policy, whose core mission is to achieve economic, social and territorial cohesion by reducing disparities between the levels of development of the various regions. It is one of the most transversal and cross-cutting policies, which contributes to most, if not all 17 SDGs.

In addition, key cross-cutting principles and objectives, such as sustainable development, elimination of inequalities, promotion of equality between men and women, integration of gender perspective, as well as combatting discrimination are mainstreamed at all stages of implementation of the policy. Priority granted to the partnership principle makes sure that national and subnational actors are engaged and take ownership on delivering EU priorities through co-financed projects.



### **European Education Area**

---

The EU is seeking to establish a European Education Area by 2025, where *“learning, studying and doing research is not hampered by borders. A continent, where spending time in another Member State – to study, to learn, or to work – has become the standard and where, in addition to one's mother tongue, speaking two other languages has become the norm. A continent in which people have a strong sense of their identity as Europeans, of Europe's cultural heritage and its diversity.”*

In line with the first principle of the European Pillar of Social Rights, the aim is to make innovative, inclusive and lifelong learning accessible to all. First concrete actions include developing European universities; making qualifications obtained in upper secondary and tertiary education, as well as learning periods abroad automatically recognised across Member States; improving language learning; promoting quality early childhood education and care; supporting the acquisition of key competences; and strengthening digital learning.



### **The EU platform on food losses and food waste**

In the EU, an estimated 20% of the total food produced is lost or wasted, while 43 million people cannot afford a quality meal every second day. Households generate more than half of the total food waste in the EU with 70% of food waste arising at household, food service and retail.

There is not one single cause with one solution because the food chain is a complex and dynamic system. Tackling food waste means working together with all key players from public and private sectors in order to better identify, measure, understand and find solutions to deal with food waste.

Established in 2016, the EU platform on food losses and food waste brings together international organisations, Member States and stakeholders to define good practice and catalyse progress in food waste prevention. With the support of the platform, the Commission adopted EU guidelines to facilitate food donation (2017) and is running a 3-year EU pilot project to promote their implementation on the ground. In 2018, EU guidelines were adopted to valorise the use of food, which is safe but no longer marketable for human consumption, as a resource for animal feed. The Commission is also actively examining ways to improve the use and understanding of ‘use by’ and ‘best before’ dates in the supply chain and by consumers, in order to reduce the associated food waste.



### **European Consensus on Development**

In 2017, the EU and its Member States adopted the European Consensus on Development. It is a joint vision for development policy. The Consensus reflects the new framework of external action and updates the vision of development policy to address the United Nations 2030 Agenda for Sustainable Development and the SDGs. It also promotes coordinated implementation of the Paris Agreement on climate action and of the decent work agenda.

The European Consensus on Development is structured around the ‘5 Ps’ framing the United Nations 2030 Agenda for Sustainable Development 2030 Agenda: people, planet, prosperity, peace and partnership. Eradicating poverty remains the primary objective. It integrates the economic, social and environmental dimensions of sustainable development. The Consensus strengthens the crucial link between external policies such as humanitarian, development and trade policies and policies to sustain peace and security, and to deal with migration, environment and climate change.



### **Towards a new ‘Africa - Europe Alliance’**

The EU is Africa’s first partner in trade, investment and development. The EU accounted for 36% of Africa’s trade in goods in 2017, EU’s investment stocks represent 40% of foreign direct investments in Africa worth EUR 291 billion in 2016, and in 2016 alone Africa received 55% of its official development assistance, amounting to EUR 23 billion, from the EU and its Member States.

In order to take this partnership to the next level the Commission launched a new ‘Africa – Europe Alliance for Sustainable Investment and Jobs’ in September 2018.

The alliance sets out key strands of action for the EU and its African partners to attract private investors, improve the business environment, support education and skills and boost trade.

The alliance complements the longstanding political partnership, proposing a paradigm shift beyond a donor-recipient approach towards an alliance of equals. It builds on the joint commitment to boost investment, job creation and trade, made at the 5th African Union – European Union summit of 2017.

*“Africa needs true and fair partnership. And we, Europeans, need this partnership just as much”.*

Jean-Claude Juncker, European Commission President, State of the Union, 2018



### ***The EU global strategy on foreign and security policy***

---

The global strategy on foreign and security policy sets out a vision for the EU's engagement in the world. The SDGs are a cross-cutting dimension of all the work to implement the strategy.

The EU is helping to build peaceful and inclusive societies. In the current context of shrinking civic and democratic space, the EU has reaffirmed its unconditional support for democracy, human rights and good governance worldwide.

This commitment takes various forms including political and policy dialogue and financial support through the European Instrument for Democracy and Human Rights. The EU action plan on human rights and democracy (2015-2019) provides a framework for policies with third countries. Over the years, the EU has established human rights dialogues with an increasing number of third countries in order to enhance cooperation on human rights and improve the human rights situation in third countries, including access to justice.

Furthermore, the EU is supporting programmes to strengthen transparent and accountable institutions, including parliaments, judiciaries and law enforcement bodies, and national human rights institutions. The EU is also working towards strengthening resilience in partner countries as a means to address fragile situations and is supporting conflict prevention and peacebuilding initiatives including by improving partners' governance of the security sector to help prevent crises and foster human security.



### ***Trade for all: Towards a more responsible trade and investment policy***

---

Today's economic system, global and digital at its core, is based on international value chains, with goods and services increasingly traded across borders.

The Commission recognises the need for the EU's trade and investment policy to address the challenges of our time and to facilitate the exchange of ideas, skills and innovation. The Commission also recognises that an effective trade policy should be coherent with sustainable development and broader foreign policies, as well as external objectives of EU internal policies, so that they mutually reinforce each other. The Commission emphasises that trade shall ensure a level-playing field while promoting core principles like human rights, decent work, sustainable development around the world or high quality regulation and public services at home.

With the values-based 'Trade for all strategy: Towards a more responsible trade and investment policy', the Commission shows that EU trade policy is for all, that trade policy must deliver growth, jobs and innovation but it must also be consistent with the principles of the European model. That it must, in short, be responsible.

---

## The next multiannual European budget — a tool to integrate sustainability

The Commission's proposal for the next multiannual European budget for 2021-2027 is a budget guided by the principles of prosperity, sustainability, solidarity and security. Sustainable development is at the very core of the proposals. It is a crosscutting priority, not just one heading or a single programme. Sustainability is promoted through and mainstreamed into numerous programmes and spending instruments. Some examples from the Commission's proposals for the next multiannual European budget:

- A major restructuring of the EU's **external action instruments** to provide more coherence between instruments, to exploit economies of scale and synergies between programmes and to simplify processes. This will make the EU better equipped to pursue its goals and project its objectives, policies and values and interests globally. The proposed new **Neighbourhood, Development and International Cooperation Instrument** with a budget of almost EUR 90 billion is aligned with the United Nations 2030 Agenda for Sustainable Development and its SDGs. With the new **European Peace Facility**, worth EUR 10.5 billion, the EU will also seek to enhance its ability to prevent conflicts, build peace and strengthen international security.
- Breakthrough solutions to support the transition to sustainable development will require unprecedented investment in research and innovation through '**Horizon Europe**', the **largest ever EU research and innovation programme** with a proposed budget of EUR 100 billion.
- A more ambitious goal for **climate mainstreaming** across all EU programmes, with a target of 25% of EU expenditure contributing to climate, including clean energy transition objectives. This target is raised to 35% of the overall budget of the proposed research and innovation framework programme '**Horizon Europe**', which is conceived and designed in line with the SDGs.
- A **reformed cohesion policy** with more than EUR 370 billion - the highest budget of all EU policies and initiatives for 2021-2027 - that will leverage significant additional national and private investments. The focus of the proposal is on sustainable growth, the transition towards a low carbon and circular economy, the environment and resource efficiency, and social inclusion. The reformed cohesion policy will enable the EU to deliver on the targets of the Paris Climate Agreement and will help localise SDGs since its delivery is done in close cooperation with regions and local authorities. Investing in people will be a key priority with the **future European Social Fund (ESF+)** that helps implement the European Pillar of Social Rights, with a proposed budget of EUR 101 billion.
- A proposal to catalyse key strategic investments through a new, fully integrated investment fund, **InvestEU**, which will be key to Europe's future prosperity and its leadership on the SDGs. With a contribution from the EU budget of EUR 15.2 billion, InvestEU is expected to mobilise more than EUR 650 billion of additional investment across Europe.
- A **simplified, modernised common agricultural policy** with a total budget of EUR 365 billion to ensure access to safe, high quality, affordable, nutritious and diverse food for the EU's 500 million consumers. The new common agricultural policy will place a greater emphasis on the environment and climate. All farmers receiving area and animal-based payments will have to comply with a range of requirements related to climate change, water, soil, biodiversity and landscapes, as well as to public health, plant and animal health and welfare.
- **Strengthened environmental LIFE programme**, with a budget of EUR 5.5 billion for projects supporting environment and climate action, including a new window dedicated to support for clean energy transition.

- It is proposed to double the budget for the future **Erasmus Programme** to EUR 30 billion, to enable more European citizens to study, train, volunteer and gain professional experience abroad.
- The **Connecting Europe Facility programme** for the period 2021-2027 aims to develop smart, sustainable, inclusive, safe and secure infrastructure in the transport, energy and digital sectors with a proposed budget of EUR 42.3 billion. Synergies between the three sectors will be promoted and investment streamlining with coherent eligibility criteria and visibility on the pipeline. At least 60% of financing from the Connecting Europe Facility programme will contribute to climate action.
- The digital transformation is an important enabler for the transition to a low-carbon, circular economy and a society needed to achieve the SDGs. The proposed **Digital Europe Programme** with a budget of EUR 9.2 billion will work to this end, for instance by supporting the provision of large scale capacities in high-performance computing and artificial intelligence, which will offer new opportunities for sustainable development, including for reducing CO<sub>2</sub>.
- A simplified and more targeted **European Maritime and Fisheries Fund** with a total budget of EUR 6.14 billion to support the common fisheries policy, the EU's maritime policy and international commitments in the field of ocean governance, especially in the context of the United Nations 2030 Agenda for Sustainable Development.



# Main Sustainable Development Goals related initiatives of the Juncker Commission



## NO POVERTY

- European Pillar of Social Rights, social scoreboard
- Strengthened European semester of economic and social policy coordination
- Recommendation on long-term unemployment
- Recommendation on access to social protection for all
- EU framework for national Roma integration strategies
- European accessibility act
- Action plan to tackle the gender pay gap
- Strategic approach to resilience in the EU's external action
- European Consensus on Development
- Action plan on the Sendai framework for disaster risk reduction 2015-2030
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- Trade for all strategy
- Updated aid for trade strategy



## ZERO HUNGER

- Common agriculture policy
- Common fisheries policy
- Circular economy action plan
- Multi-stakeholder platform on food loss and food waste
- Rules for organic farming
- FOOD 2030 initiative to develop a coherent research and innovation agenda for sustainable food and nutrition systems
- A sustainable bioeconomy for Europe: strengthening the connection between economy, society and the environment
- European Consensus on Development
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- Task Force for Rural Africa
- Trade for all strategy



## GOOD HEALTH AND WELL-BEING

- European Pillar of Social Rights, social scoreboard
- State of health in the EU-reporting cycle
- Digital transformation of health and care: bringing better health and care to more citizens in better and effective ways
- One health action plan against antimicrobial resistance
- Updates to the carcinogens and mutagens rules
- EU cooperation on vaccine-preventable diseases
- Steering group on health promotion, disease prevention and management of non-communicable diseases
- New rules on medical devices
- Enforcement of EU air pollution standards and measures to help national, regional and local actors fight air pollution
- A clean planet for all – the long-term vision for a prosperous, modern, competitive and climate neutral economy by 2050
- Strategic action plan on road safety
- European Consensus on Development
- Research partnership with Africa against HIV/AIDS, tuberculosis and other infectious diseases
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- Trade for all strategy



## QUALITY EDUCATION

---

- European Pillar of Social Rights, social scoreboard
- European Education Area by 2025
- Renewed EU agenda for higher education
- New skills agenda for Europe
- Youth strategy 2019–2027
- Digital education action plan
- Recommendations on high quality early childhood education and care systems; on the automatic mutual recognition of diplomas and learning periods abroad; on improving the teaching and learning of languages; on a European framework for quality and effective apprenticeships; on key competences for lifelong learning; and on upskilling pathways, new opportunities for adults
- Strengthened European semester of social and economic and social policy coordination
- EU action on education in emergencies and protracted crises
- European Consensus on Development
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- A new 'Africa – EU alliance'



## GENDER EQUALITY

---

- Strategic engagement for gender equality 2016–2019
- Work-life balance package
- Action plan to tackle the gender pay gap
- European Pillar of Social Rights, social scoreboard
- Strengthened European semester of social and economic and social policy coordination
- 'Women in Transport'
- Action plan for gender equality and women's empowerment in external relations
- European Consensus on Development
- Global alliance: spotlight initiative (EU-UN) to eliminate violence against women and girls
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- Trade for all strategy



## CLEAN WATER AND SANITATION

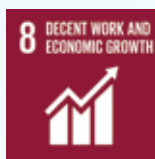
---

- Proposal on revised drinking water rules
- Proposal on minimum requirements for water reuse
- European Consensus on Development
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- Global strategy for the EU's foreign and security policy



## AFFORDABLE AND CLEAN ENERGY

- Energy union strategy
- 'Europe on the Move' packages
- Clean energy for all Europeans package
- A clean planet for all - the long-term vision for a prosperous, modern, competitive and climate neutral economy by 2050
- The 2030 energy and climate framework
- Horizon 2020 large scale initiative on digital transformation in the energy sector through Internet of Things
- Strategic energy technology plan
- European battery alliance
- Mission Innovation
- Support for coal regions in transition
- Energy poverty observatory
- Clean energy for EU islands initiative
- Cohesion policy
- Sustainable finance action plan
- Low emission strategy
- European Consensus on Development
- Energise Africa strategy
- European and Global Covenant of Mayors for climate and energy
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- Global strategy for the EU's foreign and security policy



## DECENT WORK AND ECONOMIC GROWTH

- Investment Plan for Europe / 'Juncker Plan'
- European Pillar of Social Rights, social scoreboard
- Strengthened European semester of economic and social policy coordination
- Renewed EU industrial policy strategy
- Renewed agenda for research and innovation and the 'Horizon 2020' programme
- Cohesion policy
- Rules for transparent and predictable working conditions
- Update of rules on posting of workers
- Proposal for setting up a European Labour Authority
- Updates to the carcinogens and mutagens rules
- Recommendation on access to social protection for all
- Recommendation on long-term unemployment
- A clean planet for all – the long-term vision for a prosperous, modern, competitive and climate neutral economy by 2050
- Circular economy action plan
- External investment plan, including the European Fund for Sustainable Development
- European Consensus on Development
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- Trade for all strategy
- Updated aid for trade strategy
- Global strategy for the EU's foreign and security policy
- A new 'Africa – EU alliance'



## INDUSTRY, INNOVATION AND INFRASTRUCTURE

- Renewed EU industrial policy strategy and the critical raw materials list
- High level roundtable 'Industry 2030'
- Circular economy action plan
- A clean planet for all – the long-term vision for a prosperous, modern, competitive and climate neutral economy by 2050
- Renewed agenda for research and innovation and the 'Horizon 2020' Programme, including a large focus area on Digitising European Industry
- Cohesion policy
- Digital single market strategy
- Sustainable finance action plan
- Clean energy for all Europeans package
- Energy poverty observatory
- Implementation of the corporate social responsibility strategy
- 'Europe on the Move' packages
- 'Women in Transport'
- Connecting Europe Facility
- European Processor initiative
- Low emission mobility strategy
- External investment plan
- European Consensus on Development
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- Trade for all strategy
- A new 'Africa – EU alliance'



## REDUCED INEQUALITIES

- European Pillar of Social Rights, social scoreboard
- Strengthened European semester of social and economic and social policy coordination
- European accessibility act
- Recommendation on access to social protection for all
- Work-life balance package
- Rules for transparent and predictable working conditions across the EU
- Cohesion policy
- EU framework for national Roma integration strategies
- European agenda on migration
- EU action plan on human rights and democracy 2015-2019
- European Consensus on Development
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- Trade for all strategy
- Global strategy for the EU's foreign and security policy



## SUSTAINABLE CITIES AND COMMUNITIES

- Urban agenda for the EU
- Strategy for low emission mobility
- European Pillar of Social Rights, social scoreboard
- Renewed agenda for research and innovation and the 'Horizon 2020' programme, including large scale initiative on digital transformation within Smart Cities and Communities
- Joint communication on resilience
- Cohesion policy
- A clean planet for all – the long-term vision for a prosperous, modern, competitive and climate neutral economy by 2050
- Circular economy action plan
- European and Global Covenant of Mayors for climate and energy
- Strengthened EU disaster management (rescEU) and revised EU civil protection mechanism
- European Consensus on Development
- Action plan on the Sendai action plan for disaster risk reduction 2015-2030
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- EU cities fair and ethical trade award



## RESPONSIBLE CONSUMPTION AND PRODUCTION

- Circular economy action plan, including a monitoring framework and the European circular economy stakeholder platform
- A clean planet for all – the long-term vision for a prosperous, modern, competitive and climate neutral economy by 2050
- Multi-stakeholder platform on food loss and food waste
- New EU rules on waste, including action on food loss and food waste
- EU plastics strategy
- Large Scale initiatives under Horizon 2020 on digital and sustainable transformation of the AgriFood Sector
- A sustainable bioeconomy for Europe: strengthening the connection between economy, society and the environment
- Eco-design and energy labelling working plan
- European agenda for a collaborative economy
- Implementation of the corporate social responsibility strategy
- Rules on conflict minerals
- European Consensus on Development
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- Trade for all strategy



## CLIMATE ACTION

---

- Entry into force Paris Climate Agreement
- A clean planet for all – the long-term vision for a prosperous, modern, competitive and climate neutral economy by 2050
- The 2030 energy and climate framework
- Renewed EU emission trading system
- Clean energy for all Europeans package
- ‘Europe on the Move’ packages
- Low emission mobility strategy
- Circular economy action plan
- Ocean governance agenda
- Critical raw materials list
- European and Global Covenant of Mayors for climate and energy
- Strengthened EU disaster management (rescEU) and revised EU civil protection mechanism
- Action plan on the Sendai framework for disaster risk reduction 2015–2030
- European Consensus on Development
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- Trade for all strategy
- Global strategy for the EU’s foreign and security policy



## LIFE BELOW WATER

---

- EU plastics strategy
- International ocean governance agenda
- EU blue growth strategy
- New rules for the sustainable management of external fishing fleets
- Proposal for the revision of the EU fisheries control system
- Fight against illegal, unreported and unregulated fishing
- A clean planet for all – the long-term vision for a prosperous, modern, competitive and climate neutral economy by 2050
- European Consensus on Development
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- Trade for all strategy
- Global strategy for the EU’s foreign and security policy



## LIFE ON LAND

---

- Action plan for nature, people and the economy
- EU pollinators initiative
- New rules on invasive alien species
- New rules for organic farming
- EU action plan against wildlife trafficking
- A clean planet for all – the long-term vision for a prosperous, modern, competitive and climate neutral economy by 2050
- European Consensus on Development
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- Trade for all strategy





## PEACE, JUSTICE AND STRONG INSTITUTIONS

---

- Global strategy for the EU's foreign and security policy
- European Consensus on Development
- Trade for all strategy
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- A new 'Africa – EU alliance'
- The European agenda on security
- Action plan to protect public places
- Measures to tackle illegal content online
- EU action plan on human rights and democracy
- Implementation of the corporate social responsibility strategy
- European public prosecutor's office
- Rules on anti-money laundering and counter terrorist financing
- Rules on tax transparency and anti-tax avoidance measures
- Strengthened rules on procedural rights of suspects and accused persons
- Revised firearm rules
- Measures for securing free and fair European elections
- Action plan against disinformation
- Strengthened European semester of economic and social policy coordination
- A clean planet for all – the long-term vision for a prosperous, modern, competitive and climate neutral economy by 2050



## PARTNERSHIPS FOR THE GOALS

---

- EU better regulation agenda
- Multi-stakeholder platform on the implementation of the SDGs in the EU
- Initiative on 'Next steps for a sustainable European future'
- Yearly monitoring report on EU progress towards the SDGs
- European Pillar of Social Rights
- EU health policy platform
- The European solidarity corps
- A new start for social dialogue
- Collect more spend better initiative
- Sustainable finance action plan
- European external investment plan and its European Fund for Sustainable Development
- Critical raw materials list
- A clean planet for all – the longterm vision for a prosperous, modern, competitive and climate neutral economy by 2050
- International urban cooperation
- Smart financing for smart buildings initiative
- Strengthened European semester of economic and social policy coordination
- European Consensus on Development
- Revised European neighbourhood policy & EU enlargement strategy, Western Balkan strategy
- Trade for all strategy
- Updated aid for trade strategy
- Global strategy for the EU's foreign and security policy





---

# Annex II

THE EU'S PERFORMANCE ON THE  
SUSTAINABLE DEVELOPMENT GOALS



# The EU's performance on the Sustainable Development Goals

---

The EU is one of the best places to live in the world and the EU Member States are already leading the implementation of the Sustainable Development Goals (SDGs). Yet, no single country in the world has reached all agreed objectives and closer assessment of the EU's performance on the SDGs shows that also in the EU we need continued efforts on all fronts.

The 17 SDGs of the United Nations 2030 Agenda for Sustainable Development are strongly interlinked and designed to be indivisible, which is why their mainstreaming into the actions of all actors is essential for their successful delivery on the ground. It is important to create better synergies and coherence between policies, and develop an enabling regulatory, financial and behavioural environment for turning them into reality.

Putting our production, distribution and consumption patterns on to a sustainable path, addressing climate change and strengthening our actions to protect our oceans, ecosystems and biodiversity must be a priority as the planet's natural systems that support life on earth are increasingly being pushed to the edge. The fight against poverty, social exclusion, inequalities and gender disparities has to be stepped up to guarantee prosperity and well-being for all, ensure social and political stability and maintain the support for the European project. Promoting and nurturing the rule of law, democracy and fundamental rights as well as strong rules-based multilateralism and trade must continue.

This document provides an insight to the EU's performance on the SDGs. For each of the Goals, an overview is given of where the EU stands today, what the development trends are and how the EU compares in the global context. A snapshot is provided of how the EU is expected to progress until 2030 and what

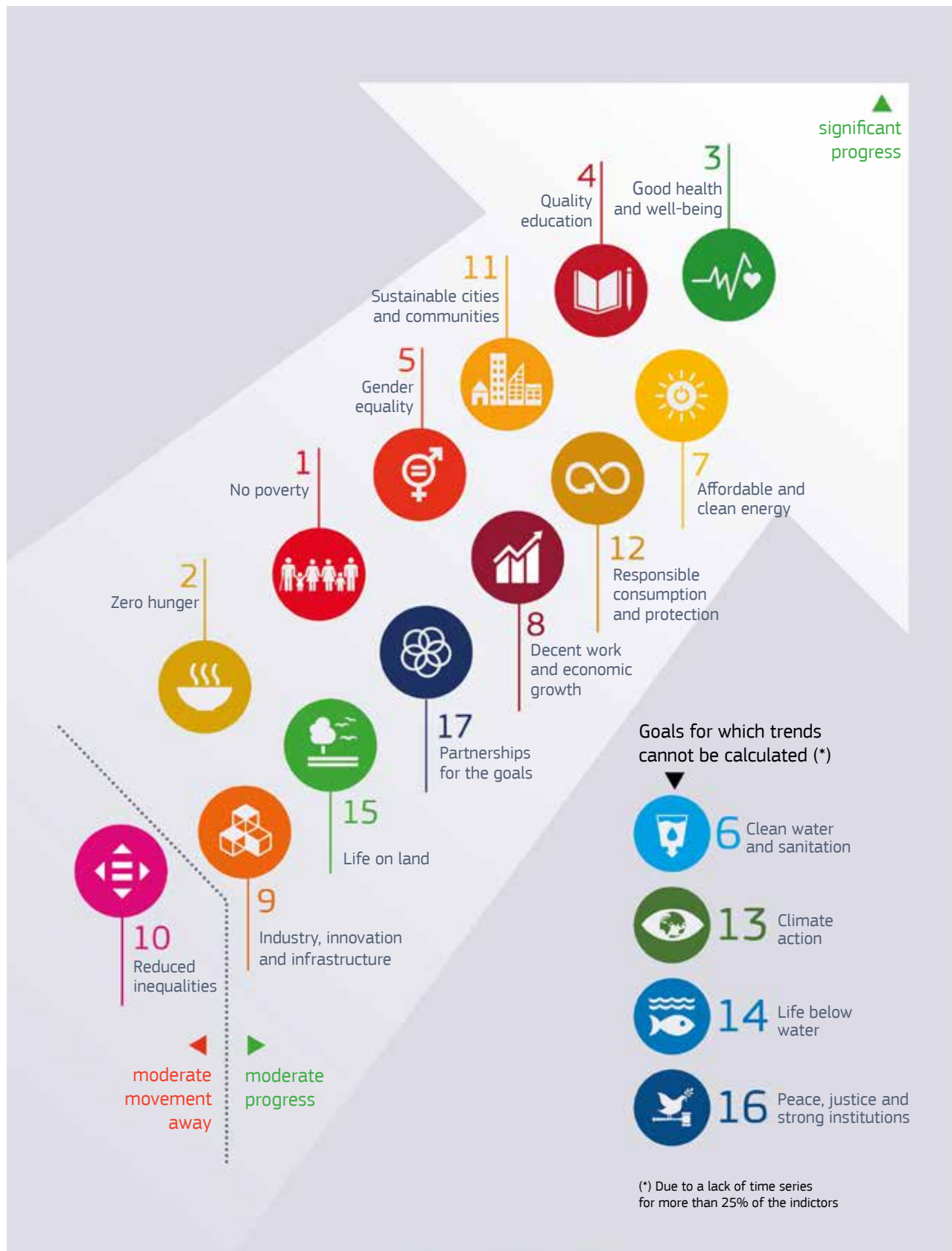
will drive and what may hinder the transition towards a sustainable Europe. Sustainable development must be a joint endeavour with all members of the society on board. This in mind, also several real-life examples are presented with a view to showcasing good practices from different actors at different levels.

In worldwide comparison, seven EU-27 Member States are among the top 10 in the global SDG Index ranking and all EU-27 Member States are in the top 50 out of 156 countries assessed<sup>(1)</sup>. In the past five years, the EU as a whole has made progress towards almost all SDGs. Most progress has been made on SDG 3 – Ensure healthy lives and promote well-being for all at all ages, and on SDG 4 – Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all, which are both also among the top three of the highest-ranking SDGs for the EU-27 Member States in the global ranking. On average, in the global ranking the EU-27 Member States score the highest on SDG 1 – End poverty in all its form everywhere. The EU has, however, moved away from SDG 10 – Reduce inequality within and among countries, with notable differences between the Member States. It is important to note that making progress does not necessarily imply that the current status of the relevant Goal is satisfactory for the EU. For example, notable progress has been achieved towards SDG 12 – Ensure sustainable consumption and production patterns, but this is also the SDG where in the global ranking the EU-27 Member States have the second lowest average score with much work still to be done. On average, in the global ranking EU-27 Member States score the lowest on SDG 14 – Conserve and sustainably use the oceans, seas and marine resources for sustainable development.

---

(1) In this paragraph the global ranking is based on “The 2018 SDG Index and Dashboards Report” produced by the Sustainable Development Solutions Network (SDSN) and the Bertelsmann Stiftung; whereas the trends in EU are based on the 2018 Edition of the Eurostat report “Sustainable development in the European Union – Monitoring report on progress towards the SDGs in an EU context – 2018 Edition”

## Overview of progress towards the SDGs in an EU context<sup>(2)</sup>



(2) Eurostat (2018), "Sustainable development in the European Union – Monitoring report on progress towards the SDGs in an EU context – 2018 Edition"



## End poverty in all its forms everywhere

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

Although the EU is a front-runner in most of the employment and social areas, our society still faces challenges that need to be addressed. Poverty hampers people's opportunities to realise their potential, their active participation in society and their rights to access quality services. Poverty is multidimensional: it is more than the lack of adequate income and includes other aspects ranging from material deprivation to discrimination and the lack of participation in decision-making. Poverty can persist over time and across generations. The EU has acted on multiple fronts to tackle poverty both internally and externally, ranging from legislative interventions, to dedicated funding, policy coordination, promotion of corporate social responsibility/responsible business conduct and social dialogue, while respecting its competencies and the principles of subsidiarity and proportionality. In 2017, for the first time since the onset of the global crisis, the number of people at risk of poverty or social exclusion in the EU has decreased below the 2008 reference point: 3.1 million fewer people are at risk of poverty or social exclusion compared to 2008 or 10.8 million fewer people compared to the peak level of 2012. However, the EU's target of lifting at least 20 million people out of poverty or social exclusion by 2020 compared to 2008 remains an important challenge. Persons in vulnerable situations, such as children, young people, people with disabilities, those with low levels of education, the unemployed, non-EU born, people from marginalised communities, and those living in households with very low work intensity or working in precarious employment have a higher risk of being in poverty or to experience social exclusion. On the external side, the EU is a global leader in contributing to the eradication of poverty, through a coherent mix of policies, including development cooperation, various trade policy instruments and the European neighbourhood and enlargement policies. The European Consensus on Development - the framework for development cooperation by EU and its Member States - puts eradication of poverty, tackling discriminations and inequalities and leaving no one behind at its centre. The EU's free trade agreements, unilateral trade preferences as well as the updated 2017 Aid for trade strategy support poverty reduction in developing countries.



#### KEY TRENDS

- Most recent data shows that in 2017, 112.9 million people, or 22.5% of the EU population, were at **risk of poverty or social exclusion**, meaning they experienced at least one of the following situations: at-risk of poverty, severe material deprivation or very low work intensity. This continues the downward trend started in 2012, when the number of people at risk of poverty or social exclusion reached its peak of 123.8 million. Women across the EU are at a higher risk of poverty, primarily due to gender inequalities in the labour market experienced during the life course. While declining, the rate for children at risk of poverty or social exclusion (aged 0-17) remains well above that of the general population in most Member States. Within the EU, significant cross-country differences persist.
- The share of **people at-risk of income poverty** rose for several years following the crisis, but stabilised in 2015-2016 (around 17.3%) and decreased in 2017 to 16.9% of EU population, thanks to the ongoing recovery and improving labour market conditions. With respect to the working poor, 9.6% of the employed were also affected by income poverty in 2017. This has stabilised in the last four years, although at a higher level than in 2008 (8.6%).

- The **share of people experiencing severe material deprivation** has declined consistently since its 2012 peak to 6.9% of the EU population in 2017 and is below its 2008 level (8.5%), translating in around one in 14 people being constrained by a lack of resources, such as not being able to pay their bills, keep their home adequately warm, or take a one week holiday away from home.
- People at risk of poverty tend to be more exposed to **housing deficiencies**, such as leaking roofs, damp walls or lack of basic sanitary facilities. Being on a downward trend, this affected 13.1% of the EU population in 2017.



## GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), all EU Member States have a score above 95 out of 100 for SDG 1, making it on average the highest scoring SDG for the EU Member States.

## EUROPEAN UNION IN 2030



### EU UNDER CURRENT TRENDS/ALL THINGS BEING EQUAL

By 2030, although important challenges will remain, it is expected that the EU will have made further significant progress on eradicating poverty and social exclusion. Employment growth will play an important role, but will not be sufficient to lift all people out of poverty. Access for all to adequate social protection, quality healthcare, education, housing, and social services will need to be adapted to future demographic changes, new technologies, evolving forms of work, migration and climate change challenges. Continuous progress is expected from a broad range of stakeholders at all levels, including local, national and European. The EU's external policies will continue to contribute to poverty eradication in third countries.



### OPPORTUNITIES/POSITIVE DRIVERS

Policy levers linked to employment and social welfare (in particular social protection and social inclusion systems, labour market policies, gender equality, educational attainment, skills levels, lifelong learning and healthcare and long-term care), equal access to new technologies, social innovation, sustainable finance, multilateralism, open and fair trade, societal involvement and participatory politics, corporate social responsibility/responsible business conduct, taxation.



### RISKS/NEGATIVE DRIVERS

Inequality of opportunities, ageing societies, changing household composition (e.g. single person households), climate change, backlash on gender equality policies and movements, geopolitical instability and security threats, return to economic protectionism worldwide, labour market segmentation and job precariousness, digital divide.



## POLICY HIGHLIGHTS



### At EU level

The European Pillar of Social Rights represents the main guiding framework for fighting poverty at EU level. Most of its 20 principles tackle directly SDG targets on poverty, such as reducing poverty in all its dimensions, implementing nationally-appropriate protection systems, and creating sound policy frameworks supporting investments in poverty eradication. The social scoreboard helps monitor performances and track trends across Member States in the employment and social field, including the risk of poverty or social exclusion.



### At Member State level

Portugal took several measures to strengthen social protection and the fight against poverty, social exclusion and inequalities. The so-called ‘Income Package’ supports household incomes by uprating the amount of pensions; restoring the reference value of the social solidarity income, as well as the minimum income equivalence scales; and increasing the lower levels of child and family allowances. The social support index – a reference value for social protection measures – has been uprated and coverage of the minimum income scheme has been extended.



### At regional/local level

The city of Munich in Germany has implemented several initiatives with support from the European Social Fund during 2015-2018 to support the integration of the unemployed into the local labour market and thus help reduce poverty. Initiatives included ‘Work & Act’ project that has helped the unemployed get back to work; ‘Power-M’ project which has supported empowering women to get back to work after maternity leave; the ‘Guide’ project that has been offering guidance to women entrepreneurs; and the ‘FIBA’ and ‘MigraNet’ projects that have supported the integration of migrants into the labour market.



### At company level

Naturgy, a gas and electricity company in Spain, has put in place the energy vulnerability plan that guarantees the protection of vulnerable customers. The Plan’s social impact seeks to position the new private business as a catalyser in the fight against poverty and supporting social agents fighting social exclusion.



### At civil society level

The European Minimum Income Network raises awareness on the need to provide adequate minimum income benefits, ensuring life in dignity at all stages of life and effective access to enabling goods and services. It brings together various organisations, experts, professionals, academics and other entities active in the fight against poverty and social exclusion.



## End hunger, achieve food security and improved nutrition and promote sustainable agriculture

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

In the EU, achieving safe and healthy diets and ensuring productive and sustainable agricultural systems, fisheries and aquaculture are a priority. Through its policies, the EU is helping farmers and fishermen to meet the food demand and provide stable, sustainably produced, safe and high quality food at affordable prices for the population. Sustainable and nutrition-sensitive agriculture, fisheries and aquaculture is essential for ensuring a consistent supply of safe and healthy food to the consumer now and in the future, particularly in the face of challenges, such as climate change and population growth. In this context, EU exports are a primary contributor to the global food supply. While food productivity has continued to increase in Europe over the past decade, although at a pace slower than in the past, measures are also being put in place to enhance the environmental and climate-related performance of agriculture, fisheries and aquaculture in order to ensure its long-term sustainability, also taking into account the impact on third countries. Unlike other areas of the world facing hunger, the EU's central nutrition issues are overweight and obesity, as well as micronutrient deficiencies. Globally, two thirds of the world's poor live in rural areas and depend on agriculture for their livelihoods. The EU has continuously maintained food and nutrition security at the heart of development cooperation and pays particular attention to food security, sustainable agriculture and fisheries in its trade relations and its neighbourhood and enlargement policies. The EU is the world's major donor in humanitarian food assistance to victims of food crises around the world and invests massively in the response to the countries facing risk of famine.



#### KEY TRENDS

- **Obesity** is a significant health issue in the EU: 15.9% of the total adult population was obese in 2014. Obesity disproportionately affects people with lower education levels and older people in Europe. When considered together with pre-obesity, the problem becomes more severe, as just over 50% of the total adult EU population is affected and the situation is expected to worsen in the years to come.
- **Economic sustainability** needs to be achieved in the **European agricultural sector** to ensure its long-term viability. Agricultural factor income per annual work unit - an indicator of labour productivity - has been on a slight upward trend in the EU and is currently at 21.6%, above 2010 levels. However, there are significant differences between Member States.
- The share of **organic agriculture** in total agricultural area nearly doubled from 2005 to 2017, rising from 3.6% to 7.0%. Precisely – the total organic area in the EU-28 (i.e. the fully converted area and the area under conversion) was almost 12 million hectare in 2016. The value of the **organic retail market** in the EU was EUR 30.7 billion in 2016 with retail sales growth of 12% between 2015 and 2016.
- Several indicators measuring **adverse impacts of agriculture on the environment** show some positive trends, but also a number of worrisome developments over the past years, including increasing consumption of pesticides in certain parts of Europe and still high consumption of antimicrobials (in the EU, 70% of antimicrobials are consumed in food-producing animals), and no significant progress made against the overall decline in biodiversity.

- **Greenhouse gas emissions from agriculture** have been slowly rising since 2010, though they are still far below 1990 levels. This increase may be attributed to productivity and production increases in the agricultural sector.
- The amount of EU land affected by the risk of severe **soil erosion** is decreasing, in part thanks to mandatory cross-compliance measures in the EU common agricultural policy. The share of non-artificial erosive area estimated to be at risk of severe soil erosion by water decreased from 6.0% to 5.2% between 2000 and 2012.
- There has been a continuous improvement in performance of the EU aquaculture sector over the period 2014-2016. In 2016, the EU aquaculture sector placed 1.4 million tonnes of seafood in the market worth almost EUR 5 billion; a 2.2% yearly increase between 2014 and 2016 in volume and 3.1% in value. There is also a growing transition from conventional to organic aquaculture.



## GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), 14 EU Member States have a score above 70 out of 100 for SDG 2. 13 EU Member States are in the worldwide top 20.

## EUROPEAN UNION IN 2030



### EU UNDER CURRENT TRENDS/ ALL THINGS BEING EQUAL

The EU is expected to continuously evolve towards eliminating hunger and promoting sustainable practices in the future. Based on the 'EU Agricultural Outlook for 2030', no major shortfalls are expected with regards to EU food security in absence of major market disruptions. Food safety policies ensure a high level of food safety and animal and plant health within the EU, while ensuring an effective internal market. Uncertainties will always persist and, therefore, selected risks are being monitored. Achieving this SDG will strongly depend on industry, non-governmental organisations, authorities and citizens becoming more conscious of the social, commercial and individual determinants of unhealthy diets, and of their repercussions both on human health and on public budgets. In this respect, the ongoing efforts towards food reformulation can play an important role in addressing overweight and obesity and their economic impact. It will also depend on educating people, on how to use new technologies or address new challenges. Strong societal involvement at all levels (associations, governments, private sector, scientists and health experts) will be crucial for improving the environmental and health impact of food systems, identifying best practices, managing food resources efficiently, reducing food waste etc. Investing in a more sustainable agriculture will also have positive effects on improving food supply security, necessary for facing challenges such as global population growth or climate change. People would benefit from integrated pest management or food with optimal nutritional qualities, as this would have a role on improving their wellbeing and, thus, quality of life.



### OPPORTUNITIES/POSITIVE DRIVERS

Societal involvement and participatory politics, behavioural change, corporate social responsibility/responsible business conduct sustainable finance, public-private partnerships, sustainable food systems, new technologies, artificial intelligence, research and innovation, a focus on resilient societies, education, public and private investments, open and fair trade.



### RISKS/NEGATIVE DRIVERS

Poverty, social and health inequalities, ageing of our population, geopolitical instability, climate change and loss of biodiversity, uncontrolled animal diseases, plant pests and contaminants.

## POLICY HIGHLIGHTS



### The EU at the international level

The EU-Africa partnership on food and nutrition security and sustainable agriculture, launched in April 2016, fosters research and innovation cooperation in the areas of sustainable intensification, agriculture and food systems for nutrition and agricultural markets and trade.



### At EU level

The modernised and simplified common agricultural policy aims to maximise its contribution to the implementation of the SDGs. The proposals of the Commission for the next multiannual budget 2021-2027 explicitly outline the objective to further improve the sustainable development of farming, food and rural areas.



### At Member State level

The programme for diversity of cultivated plants is a national programme intended to be an adaptive tool for creating an intelligent and sustainable way to conserve and utilise the plant riches of Sweden. Seeds and other older varieties are being collected throughout Sweden and preserved in the Nordic Gene Bank. It reintroduces old cultivated plants on the market.



### At regional/local level

The 2014-2020 rural development programme for mainland Portugal promotes investments in farming, aiming at increasing the capacity to generate added value, increase productivity, promote a more efficient use of resources and support the productive and social tissue in rural areas.



### At company level

The Grupo Cooperativo Cajamar in Spain is part of the TomGEM project, which develops new strategies aimed at maintaining high yields in the production of fruits and vegetables under high temperature conditions. The project aims to phenotype a wide range of genetic resources to identify cultivars/genotypes that show stable yield and discover the genes that control flower induction, pollen fertility and fruit set.



### At civil society level

'Baltic Friendly Agriculture' is a cycle of workshops organised by WWF Poland Foundation under the auspices of the Agricultural Advisory Centre in Brwinów. It has enabled to increase the knowledge of farmers on methods of reducing losses of nitrogen and phosphorus compounds from agricultural holdings which contribute to water pollution.



## Ensure healthy lives and promote well-being for all at all ages

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

Health is a basic human need and the EU has made significant progress in addressing health inequalities and their environmental and social determinants. Good health is not only of value to the individual as a major determinant of quality of life, well-being and social participation, but it also contributes to shaping a sustainable European economy. Universal health coverage is an objective of the EU Charter of Fundamental Rights and one of the rights recognised by the European Pillar of Social Rights, and thus an important policy objective for the EU and its Member States. The accessibility and affordability of health care to patients remain, together with effectiveness and budgetary sustainability, the main policy objectives for health system reforms discussed in the EU context. Nevertheless, tobacco and excessive alcohol consumption, being overweight, lack of physical activity, mental health issues such as depression and suicide, alongside communicable diseases continue to adversely affect health and, together with demographic and social changes, they create additional burdens on the EU healthcare systems. The EU supports Member States for example by fighting risk factors of non-communicable diseases, exchanging best practices, helping ensure access to quality healthcare and strengthening the capacity to prevent and manage global health threats such as antimicrobial resistance, and by investing in research and innovation. On the international side, EU development aid promotes universal access to quality health services. In line with the European Consensus on Development, the EU helps strengthen all areas of health systems and progress towards universal health coverage.



#### KEY TRENDS

- **Europeans live longer than ever** before and the trend is projected to continue. In 2016, life expectancy in the EU was 81 years, which is 3.3 years more than in 2002.
- **Unhealthy lifestyles** have repercussions on human health, public budgets and the productivity. Smoking prevalence among the population aged 15 or over decreased 26% in 2017. However, still more than half of the total adult population in the EU was overweight in 2014.
- In 2017, 1.6% of people in the EU reported **unmet needs for medical care**, compared to 3.4% in 2011. Costs and long waiting lists are the main reasons for unmet medical needs.
- Deaths due to **non-communicable diseases** before the age of 65 fell steadily between 2002 and 2015. However, non-communicable diseases account for up to 80% of healthcare costs. Yet, only around 3% of health budgets are spent on prevention. Deaths in the EU due to **HIV, tuberculosis and hepatitis** fell rather steadily between 2002 and 2015. Antimicrobial resistance is responsible for an estimated 33,000 deaths per year in the EU, costing EUR 1.5 billion per year in healthcare costs and productivity losses.
- Exposure to **air pollution** by fine particulate matter in urban areas decreased by almost 20% in the EU in 2010-2015. However, air pollution is still the number one environmental cause of premature death. More than 400,000 people yearly die prematurely in the EU due to bad air quality; millions suffer from respiratory and cardiovascular diseases caused by air pollution.
- **Road safety** in the EU has greatly improved in recent decades. The EU has become the world's safest region with 49 deaths per million inhabitants due to road accidents. In 2001-2010, the number of road fatalities in the EU decreased by 43% and in 2010-2017 by another 20%.



## GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), 18 EU Member States score above 90 out of 100 for SDG 3. 11 EU Member States are in the worldwide top 20. On average, it is in the top 3 of the highest scoring SDGs for EU Member States.

## EUROPEAN UNION IN 2030



### EU UNDER CURRENT TRENDS/ ALL THINGS BEING EQUAL

To keep on ensuring universal health coverage in the EU, health systems will need to be resilient to future evolutions, ensure accessibility and effectiveness. A shift to a model that places greater emphasis on disease prevention and health promotion, is more personalised and capitalises on digital technologies will be needed, as well as strengthening primary care and the development of patient-centred integrated care. It will also be important to reduce illicit drug supply and demand. The EU remains committed to fight both non-communicable and communicable diseases and antimicrobial resistance. An important effort is taking place to promote the wider scale implementation of validated best practices. The EU will pursue new interim targets to reduce road deaths by 50% between 2020 and 2030 as well as halving the number of serious injuries in the same period.



### OPPORTUNITIES/POSITIVE DRIVERS

Societal involvement and participatory politics, behavioural change, healthier workforce and population, corporate social responsibility/responsible business conduct sustainable finance, public-private partnerships, prevention and health promotion, research and innovation, new technologies, digital transformation of health and care, a focus on resilient societies, education, public and private investments, open and fair trade.



### RISKS/NEGATIVE DRIVERS

Poverty, social and health inequalities, biological threats, climate change and environmental risks, fiscal sustainability impacted by demographic ageing and cost inflation associated with novel technologies and socio-economic risks, ageing population, unhealthy habits, geopolitical instability and health security threats.



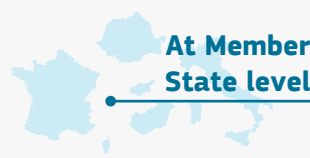
## POLICY HIGHLIGHTS



The EU contributed to the EU-World Health Organisation universal health partnership programme to strengthen health systems in more than 35 partner countries and supports improved access and demand for family planning, reducing harmful traditional practices and gender-based violence together with the UN.



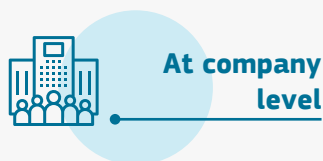
On antimicrobial resistance, the EU has adopted an ambitious ‘one health action plan’ to preserve the possibility of effective treatment of infections in humans and animals. It provides guidelines on prudent use of antimicrobials in human health, boosts research on new antimicrobials, vaccines and diagnostics, further incentivises innovation, provides input into science-based policies and legal measures and addresses knowledge gaps. On prevention, validated best practices are implemented on a wider scale in close cooperation with EU Member States.



In the public health sector in the Slovak Republic, a network of general and specialised health advisory centres are in place, which provide counselling based on examining the main personal risk factors (such as smoking, nutrition, physical activity, or stress). They also serve to raise awareness, and increase turnout at screenings and preventive check-ups.



In 2011, the inter-municipal association for the conservation of nature in Luxembourg launched the project ‘Savour nature - eating regional, organic and fair food’. This project aims to promote sustainable food in the school canteens of the 33 member municipalities and to provide economic opportunities for farmers in the region who are particularly committed to protecting the environment. In addition to the criteria ensuring general protection of the environment and animal welfare, farmers wishing to join the project must use 5% of their farming land to protect biodiversity. In school canteens, specific training courses are available to staff: ‘Meet the producers’, healthy food, seasonal menus, the impact of food on climate, and developing countries.



Supported by the Bill and Melinda Gates Foundation, CureVac GmbH in Germany won the EU’s first ever innovation inducement prize for progress towards a novel technology that keeps vaccines stable at any ambient temperature.



Within the framework of the national health programme in Poland, non-governmental organisations developed tools for mood disorders screening, materials for assistance on mental problems, radio programmes, publications and instructional films, created an online forum and conducted information campaigns.



## Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

Education, vocational training and lifelong learning have a central role in building a sustainable, resilient, competitive and cohesive Europe for the future, as they enable people to reach their full potential. Throughout all life stages, education and training are crucial aspects of human development and key drivers for growth, jobs and social cohesion. Education levels among young people are steadily improving in Europe. The EU is on track towards reaching the Europe 2020 targets on early school leavers and tertiary educational attainment. Good progress has been registered for participation in early childhood education and care, while progress is still needed for underachievement in maths, science and reading, digital skills and adult participation in learning. Young people with disabilities or with migrant background show significantly lower educational attainment. Early leavers and low educated young people face particularly severe problems in the labour market. On the international side, many EU partner countries benefit from bilateral support programs which help strengthen their education systems, focussing on improved access to quality basic education for low income as well as fragile and conflict affected countries, in particular for girls and marginalised groups.



#### KEY TRENDS

- The share of **early leavers from education and training** has fallen continuously since 2002. The fall from 17% in 2002 to 10.6% in 2017 represents a clear progress towards the 'Europe 2020' headline target of 10%.
- The **tertiary educational attainment** 'Europe 2020' headline target of 40% for people aged 30-34 has practically been reached (39.9% in 2017).
- **Participation in early childhood education and care** has steadily increased since 2003. The EU's target of 95% of children between 4 and the age of compulsory education participating in pre-primary education was reached in 2016, although cross-country differences persist.
- The EU has also set a target to reduce the **share of 15-year-olds achieving low levels of reading, maths and science** to less than 15% by 2020. EU Member States show great variation concerning the share of low achievers in all three subjects. The EU as a whole is lagging behind in all three domains and - according to the latest 2015 available data - took a step backward compared to 2012 results (science: 20.6%, +4.0 percentage points; reading: 19.7%, +1.9 percentage points; maths: 22.2%, + 0.1 percentage point).
- In 2017, 57% of the EU population aged 16-64 had at least basic **digital skills**.
- The **employment rate of recent graduates** rose from 76.9% in 2015 to 80.2% in 2017, close to the EU target of 82%.
- The percentage of **young people who are neither in employment nor in education or training** has continued to fall to 10.9% in 2017, down from its peak level of 13.2% in 2012.
- **Adult participation** (aged 25-64) in learning was 10.9% in 2017, well below the target of at least 15%.



## GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), 16 EU Member States have a score above 90 out of 100 for SDG 4. Seven EU Member States are in the worldwide top 20. On average, it is in the top 3 of the highest scoring SDGs for EU Member States.

## EUROPEAN UNION IN 2030



### EU UNDER CURRENT TRENDS/ ALL THINGS BEING EQUAL

Increases in educational attainment among the young population are expected to continue in the future as a result of structural changes in labour markets, demographic change and policy reforms. By 2030, the European Education Area will be firmly established and it is hoped that there will be no borders or obstacles to inclusive learning mobility and academic cooperation. All young people should receive better education and training, irrespective of their socio-economic background, leading to more and better skills. Inclusive education and lifelong-learning are expected to further result in fewer early school leavers and more learners at all levels. Transformations in labour markets are also expected to trigger higher participation of adults in education and training. People will be able to obtain validation of the skills they develop outside formal education and training. All education and training provision will include a stronger work-based learning dimension and take advantage of closer cooperation with business and civil society. It will remain important to step up efforts to integrate education on sustainable development in curricula at all levels of education.



### OPPORTUNITIES/POSITIVE DRIVERS

Societal involvement and participatory politics, behavioural change, corporate social responsibility/responsible business conduct, sustainable finance, public-private partnerships, research and innovation, digital technologies and online platforms, artificial intelligence, changing jobs market and skills needs, a focus on sustainable and resilient societies.



### RISKS/NEGATIVE DRIVERS

Inequality of opportunities, poverty, low public and private investment, skill mismatches, increasing knowledge gaps.

## POLICY HIGHLIGHTS



Pursuing the first principle of the European Pillar of Social Rights, the Commission is coordinating the new skills agenda for Europe, and working with EU Member States towards a European Education Area by 2025. The aim is to improve the inclusive, lifelong-learning based and innovation-driven nature of education and training systems. Measures presented in 2018 towards the European Education Area by 2025 address automatic mutual recognition of diplomas and study periods abroad, key competences, digital skills, common values and inclusive education, high quality early childhood education and care, and better language learning and teaching.



In 2016, Slovenia launched a programme that would improve teaching quality and learner experience by giving teachers and mentors opportunities to increase their knowledge, skills and competences through job rotation. Running until 2022, the programme has funding of EUR 1.65 million, of which EUR 1.32 million is from the European Social Fund.



An initiative in the Veneto Region, Italy, financed from the European Social Fund, allows adults without an upper secondary qualifications, including those with a lower vocational qualification no longer relevant for the labour market, to get credit recognition for their previous professional or training experience and embark on a personalised training path.



A tripartite agreement was signed in France in 2018, opening an inclusive learning section for young people and disabled adults in the Nouvelle-Aquitaine region. A dozen apprentices with disabilities will be trained in the electronics, electrical and electrical engineering sectors. Half will be hosted in the electricity enterprise Enedis sites and half in adapted companies.



ToekomstATELIERdelAvenir (alias TADA) provides supplementary, voluntary, and society-oriented education to vulnerable teenagers from disadvantaged neighbourhoods in Brussels, Belgium. It seeks to empower its young participants and prevent demotivation and its negative consequences (such as learning fatigue, early school dropout, delinquency, unemployment, extreme radicalisation) and to contribute to increased integration and social cohesion.



## Achieve gender equality and empower all women and girls

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

The EU is among the global leaders on gender equality and progress has been made over the last decades. This results from equal treatment legislation, gender mainstreaming and specific measures to advance women's rights and gender equality. There is a higher number of women on the EU's labour market and they secure better education and training; yet, women are still over-represented in lower paid sectors and under-represented in decision-making positions. Gender differences in income and career patterns often translate into lower pension entitlements for women. The need and momentum for further improvements remains. A special Eurobarometer survey in 2017 showed that the general population in the EU is broadly supportive of gender equality: 84% of Europeans consider gender equality to be important for them personally (including 80% of men). At the international level, the EU includes the gender perspective through its external policies, ranging from trade instruments, to the European Consensus on Development, and the EU's neighbourhood and enlargement policies.



#### KEY TRENDS

- The **Gender Equality Index** of the European Institute for Gender Equality (2017) highlights that the past decade has witnessed a generally positive, albeit slow, development towards gender equality. The most significant improvement was made in the domain of power (e.g. decision-making in the private and public sector), while gender inequalities increased in the domain of time (e.g. housework, leisure time, unpaid care). There is large variability in the performance of Member States. The majority of the Member States improved their overall scores since 2005. A few Member States have seen stagnation in their overall scores or even a slight drop of their score.
- **The employment gap** between men and women at EU level was below 12 percentage points in 2017, substantially lower than in 2008, when it reached 15.1 percentage points. This improvement was largely driven by an increase in the employment rate of women. The lack of available, accessible and quality formal care services, in particular for young children is one of the main factors hampering women's labour market participation. In 2016, only 32.9% of the children between 0 and 3 years old in the EU were cared for in formal education and care services, up from 28% in 2008.
- The **gender pay gap** has decreased slightly over the past several years. In 2016, women's gross hourly earnings were on average 16.2% below those of men; after retirement, this gap widens exponentially with a **gender pension gap** of 36.6%.
- As regards **gender equality in politics** in the EU, the proportion of seats in national parliaments held by women increased from 20.9% in 2004 to 29.7% in 2018.
- In 2017, a quarter of the **board members of the largest listed companies** were women. Between 2003 and 2017, there was an almost steady yearly increase of a total of 16.8 percentage points.
- The way in which women and men allocate **time for care, domestic work and social activities** has become more unequal in the EU compared to 10 years ago. This decline in equality has occurred in 12 Member States, while improvements were noted in eight Member States.
- One in three women in Europe has experienced either **physical and/or sexual violence** since the age of 15.



## GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), 11 EU Member States have a score above 80 out of 100 for SDG 5. 11 EU Member States are in the worldwide top 20.

## EUROPEAN UNION IN 2030



### EU UNDER CURRENT TRENDS/ ALL THINGS BEING EQUAL

Continued progress on gender equality and on empowering women and girls requires commitment, more funding and persistent efforts by actors at all levels, from the individual household to EU institutions. While regulatory incentives are important to accelerate this progress, gender equality depends strongly on cultural and ethical values and on the evolution of societal change. By 2030, we could expect the EU to have made further progress on women's economic empowerment, gender balance in decision-making and combating violence against women and girls. The materialisation and extent of this progress depends on the developing cultural and political context as well as the future regulatory measures.



### OPPORTUNITIES/POSITIVE DRIVERS

Societal involvement and participatory politics, shifts in social norms, behavioural change, corporate social responsibility/responsible business conduct, formal childcare, balanced family leave arrangements, flexible working arrangements, a balanced education system, access to new technologies, and furthering women's tech skills, open and fair trade.



### RISKS/NEGATIVE DRIVERS

Inequality of opportunities, backlash against progress, skill mismatches, security threats, return to economic protectionism worldwide.



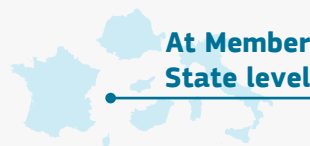
## POLICY HIGHLIGHTS



In 2015, the EU adopted its second action plan for gender equality and women's empowerment in external relations (2016-2020). In September 2017, the Commission launched the joint EU-UN spotlight initiative to end violence against women and girls.



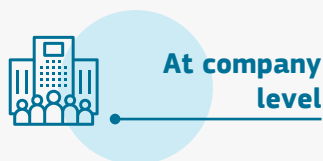
In 2015, the Commission adopted a strategic engagement for gender equality 2016-2019. The strategic engagement is the framework for the Commission's continuing work to promote gender equality and women's empowerment, and focuses on the following five priority areas: 1) increasing female labour market participation and equal economic independence; reducing the gender pay, 2) earnings and pension gaps; 3) promoting equality between women and men in decision-making; 4) combating gender-based violence; 5) promoting gender equality and women's rights across the world. In addition, the strategic engagement foresees that a gender equality perspective is integrated into all EU policies and funding programmes.



Denmark generally scores well on gender equality. Women in Denmark generally work outside the home and pursue careers while raising a family, assisted by the country's generous parental leave and tax-subsidised daycare. Danish men also benefit from gender equality. They get more time with their families than in many other countries. Parental leave after the birth of a child can be split between parents, and limited workdays mean it is often the father who picks up children from day care.



France introduced a system of binomial candidates for departmental elections in which the vote goes for a team of female and male candidates. This guarantees gender parity at departmental level and establishes shared decision-making positions in territorial politics, sharing responsibilities and improving the possibilities of work-life balance for politicians.



GründerRegio M e.V. was co-financed by the European Social Fund to provide training, counselling and networking for female entrepreneurs in Munich. It targets women returning to the labour market after raising a family, as well as women over 50. The project with the name GUIDE has supported some 5,000 female entrepreneurs, out of which 56% started their own businesses.



Two Bulgarian organisations are running the project 'Career ROCKET'. Teachers, school directors and career consultants in schools are being trained to introduce gender equality in all subject matters in secondary education by offering information about women's contribution in natural sciences, technology, politics, history, geography, mathematics, literature, the arts and music.



## Ensure availability and sustainable management of water and sanitation for all

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

Access to water is a basic human need. Water is also an important economic resource and serves as the backbone for biodiversity, climate and ecosystem regulation. Protecting water ecosystems from pollution and hydro-morphological changes, and using water sustainably is crucial to meet the demands of current and future generations, as well as maintain political stability at national and regional level. In the EU, a comprehensive water policy aims at ensuring that sufficient quantity of good-quality water is available for both people's needs and the environment, through regulating the main pressures (agriculture, industry, urban waste water), water uses (bathing water, groundwater, drinking water) and integrated water management. The vast majority of European citizens has access to basic sanitation and is connected to at least secondary wastewater treatment. Moreover, Europeans citizens benefit from very high drinking water quality. However, pressure resulting from urbanisation, diffuse pollution from agriculture, industry and climate change influence water quality and long-term water security. At the global level, the EU is promoting availability and sustainable management of water and sanitation for all through the European Consensus on Development and the EU's neighbourhood and enlargement policies.



#### KEY TRENDS

- The share of people without **improved sanitation facilities** in their households has decreased from 3.2% in 2007 to only 2.0% of the European population in 2017. The amount of people connected to **secondary wastewater treatment** increased between 2010 and 2015. However, differences between Member States remain, with some still facing considerable problems. A new type of pollution becomes significant – this is the case for urban run-offs or combined sewer systems releasing vast amount of pollution in case of heavy rains.
- 86.3% of all **coastal bathing sites** and 82.1% of **inland bathing sites** showed excellent bathing water quality in 2017.
- **Water quality in European rivers** has increased significantly between 2000 and 2014; average concentrations of phosphate in European rivers show a downwards trend.
- While progress is made in various areas, only around 40% of **surface waters** achieved good ecological status in 2015; **groundwater** is in a better shape, with 74% good chemical status and 89% good quantitative status. Although pollution caused by nitrates from agriculture has decreased in the last two decades, problems remain. Nitrates are the most common pollutants causing poor chemical status of groundwater in the EU. This is particularly problematic because groundwater, next to running surface water, is an important source of drinking water in Europe.
- **Water stress** is low in most of the EU countries, but high in a few, mainly Southern European countries and the phenomenon is on the rise in Western and Northern Europe as well.
- To decrease water scarcity, all relevant sectors need to use freshwater efficiently. **Water abstraction** has reduced in Europe over the past decade, while **water use efficiency** has increased. The average **drinking water consumption** dropped in the last 20 years from around 200:l per person and day to around 120:l.



## GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), 25 EU Member States have a score above 80 out of 100 for SDG 6. Three EU Member States are in the worldwide top 20.

## EUROPEAN UNION IN 2030



### EU UNDER CURRENT TRENDS/ ALL THINGS BEING EQUAL

Overall, the EU is expected to continue to make progress on sustainable management of water and sanitation. Almost all citizens will enjoy good access to water services - such as drinking water and waste water treatment - and sanitation facilities. Still, further efforts are needed to ensure full access for all EU citizens, to ensure waste water is treated up to required standards in the entire territory and to achieve good status for all Europe's water bodies. Emerging pollutants of concern such as microplastics and pharmaceuticals should also receive specific attention in the coming years. Diffuse pollution from agriculture has to be further reduced. Water use efficiency needs to be further improved. Finally, climate change and its aggravating effects on drought and floods in EU regions increase the need for water management to become more sustainable. Climate change will add to the water stress already felt in waterbodies mainly in southern Europe, but increasingly also in other part of the continent. The implementation of existing water legislation and the development of new legislation like the recent proposals for drinking water and reuse will help tackling these challenges. The ongoing evaluation fitness check of a substantial part of EU water legislation will help to establish whether the legislative framework needs to be adapted to achieve the relevant SDGs in full.



### OPPORTUNITIES/POSITIVE DRIVERS

Behavioural change, societal involvement and participatory politics, society's pressure for sustainable food system and production chains, corporate social responsibility/responsible business conduct, sustainable finance, public-private partnerships, digitalisation, better data through the use of earth observation tools such as the Global component of the EU Copernicus Land Monitoring Service, increased water reuse, artificial intelligence and new technologies, research and innovation, internet of things, circular economy, multilateralism.



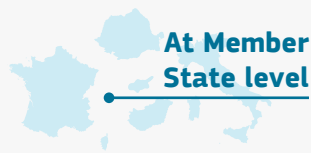
### RISKS/NEGATIVE DRIVERS

Poverty and inequality of opportunities, climate change, diffuse pollution from agriculture, urbanisation, organic pollutants, residues of pharmaceuticals, plastic waste, industrial production, household discharges, geopolitical instability and security threats, affordability and water price.

## POLICY HIGHLIGHTS



European water research and innovation promotes solutions to water challenges. The Partnership for Research and Innovation in the Mediterranean Area (PRIMA), a EUR 494 million initiative, focuses on water scarcity, agriculture and food security in the Mediterranean region.



In Cyprus, recycled water is a growing and stable resource used, among others, for irrigation and protection against drought. With help from European funds, two projects are already under way: the Anthoupolis Water Reuse Scheme and the Larnaca Water Reuse Scheme.



The Racibórz Dolny flood protection reservoir is being built in Poland in the Dolnośląskie Region. The comprehensive flood protection programme aims to provide protection from flooding by the River Oder, by restoring the natural flood retention of the Odra river valley and the natural floodplain terrace of the river.



Wastewater treatment plants across Europe start using the energy and other resources contained in waste to reduce their consumption and even act as an energy producer. A prime example is a treatment plant of Aarhus water, in the town of Marselisborg, Denmark, that produces more than 150% of the energy it needs to operate by investing in more efficient technology.



Malta encourages the participation of local communities in improving water and sanitation management. The river basin planning cycle ensures a high participation of communities and stakeholders, as decisions on certain measures will involve balancing the interests of various groups.



## Ensure access to affordable, reliable, sustainable and modern energy for all

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

The EU 2020 energy and climate targets have placed the EU on the right path to ensure secure, affordable and clean energy for all Europeans. Solid progress has already been achieved in terms of increased use of renewable energy and enhanced energy efficiency, and the EU is forging ahead with the clean energy transition. The EU's transition from a fossil fuels-based to a low-carbon economy with a digital and consumer centric energy system is becoming the new reality on the ground. The decoupling of greenhouse gas emissions and gross domestic product has continued, mainly driven by innovation. Economic growth and energy consumption have also been decoupled. Global changes in energy production and demand have a significant impact on geopolitics and industrial competitiveness. This poses serious challenges to Europe, but also creates unique opportunities. In this context, the EU wants to step up its role as a global leader in the clean energy transition while providing energy security to all its citizens. With its energy union, the EU aims to provide secure, affordable, sustainable and clean energy for EU citizens and businesses. On the external side, the European Consensus on Development focuses on increasing access to energy services that are affordable, modern, reliable and sustainable, on increasing the deployment of renewable energy and energy efficiency measures and on contributing to the fight against climate change. The EU is a pioneer in stimulating private sector investments in the sustainable energy sector with its blending instruments, the EU external investment plan and the electrification financing initiative. Also, the neighbourhood and enlargement policies contribute in this area.



#### KEY TRENDS

- Trends in Europe point to a **'decoupling' of economic growth** from energy inputs and their associated **greenhouse gas emissions**. Between 1990 and 2017 greenhouse gas emissions fell by 22% while GDP grew by 58%. Both energy productivity and greenhouse gas intensity of energy consumption have improved nearly continuously since 2000 in the EU.
- The EU aims at meeting its 2020 **energy efficiency** target of 20%. Between 2005 and 2016, the EU's primary energy consumption dropped by 9.9% and its final energy consumption by 7.1%.
- The EU is on track to meet its target of 20% of final energy consumption from **renewable energy** by 2020. The use of renewable energy has increased continuously in the EU over the past decade, from 9.0% to 17% of gross final energy consumption between 2005 and 2016. A predictable EU regulatory framework, more efficient technologies, falling costs for renewable energy technologies and more market-oriented support, have been the main drivers of this increase.
- The EU still relies on **fuel imports from non-EU countries** to meet its energy demands. Standing at 53.6%, the EU's import dependence remained quasi-constant between 2006 and 2016 whilst the energy production decreased by 14% over the same period. A consistent reduction of the primary energy consumption of about 10% has been observed over the same period.
- The EU has made progress on improving **access to affordable energy**. Over the past years, the inability to keep one's home adequately warm became less prevalent. In 2017, 8.1% of the EU population indicated a lack of access to affordable energy — 2.8 percentage points lower than in 2007.



## GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), 26 EU Member States have a score above 80 out of 100 for SDG 7. Seven EU Member States are in the worldwide top 20.

## EUROPEAN UNION IN 2030



### EU UNDER CURRENT TRENDS/ ALL THINGS BEING EQUAL

The EU will continue to make progress towards affordable, reliable, sustainable and modern energy for all based on the ambitious regulatory framework agreed at EU level. By 2030, the main EU goals translate into at least 40% reduction in greenhouse gas emissions, at least 32% EU energy from renewables and an increase in energy efficiency by at least 32.5%. These lay the needed groundwork for a profound societal transformation leading to a clean and sustainable energy future. Development of energy infrastructures will continue to be supported via the Connecting Europe Facility. Under the new 'Horizon Europe' Framework Programme, an intense research and innovation programme has been proposed, with a budget of EUR 15 billion for energy, mobility and climate. Overall, for the 2021-2027 multiannual financial framework, the proposed climate mainstreaming target of 25% would mean that one in four Euros is to be spent on climate-related issues, also relevant for the energy sector. Continued engagement is needed to ensure the achievement of the energy union, including an active dialogue with civil society and stakeholders, as their contribution and commitment is the key to the success of the energy transition.



### OPPORTUNITIES/POSITIVE DRIVERS

Behavioural change, informed, protected and empowered consumers, societal involvement and participatory politics, anticipatory policies for just transition, corporate social responsibility/responsible business conduct, new business opportunities, crowdfunding and other forms of innovative financing, sustainable finance, public-private partnerships, resource taxation, internet of things, education, digitalisation, artificial intelligence and new technologies, research and innovation, circular low carbon economy, low- and zero emission mobility, resilient societies, multilateralism.



### RISKS/NEGATIVE DRIVERS

Increasing electricity consumption driven by digitalisation, volatile energy prices, continued dependency on and subsidies for fossil fuels, lack of behavioural change, slow down of policies implementation, low public and private investment, digital divide, climate change, geopolitical instability and security threats, transition more costly in relative terms for middle and lower income people.



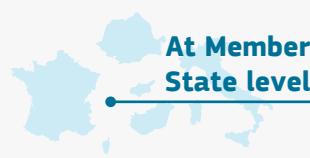
## POLICY HIGHLIGHTS



In May 2017, in order to renew the impetus of the Africa-EU Partnership, the EU proposed the 'Energise Africa' strategy. The EU has committed to spur public and private investments in sustainable energy in Africa, in particular in the context of the external investment plan and to deepen strategic alliances and collaboration.



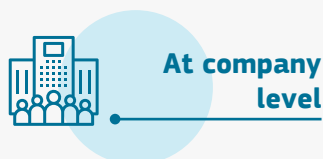
Establishing a European energy union has become a core priority for the Commission. Initiatives for the achievement of the energy union have been adopted. Notably, the 2016 clean energy for all Europeans package, will lead to a more competitive, modern and cleaner energy system, building around the three main goals: putting energy efficiency first, achieving a global leadership in renewable energies and providing a fair deal for consumers.



In 2013, over 40 organisations in the Netherlands (local and national governments, companies, trade unions and environmental organisations) signed an Energy Agreement for Sustainable Growth, aiming to increase the share of renewable energy from 5.8% in 2015 to 16% in 2023. It sets targets for a transition to zero-emission vehicles: by 2035, all newly sold cars should be emission-free, and in 2050 all cars on the roads must be emission-free.



Budapest is member of the Covenant of Mayors, an EU funded initiative which gathers regions and cities committed to implementing EU climate and energy objectives. Since 2011, one of its most famous thermal baths - the Szechenyi bath -, the nearby zoo and the local district heating company have made a partnership which saves carbon emissions and lowers the energy bill. The heat of the Szechenyi thermal waters is recycled into the Budapest Zoo to supply warm air for some 350 animal species and nearly 500 plants spread over some 26 buildings.



The energy company Fortum Jelgava, established in 2008 in Jelgava, Latvia, restructured the city's heat network by replacing the gas boiler station with a new biomass cogeneration station that uses wood chips. The city's district heating system has almost completely switched from fossil fuels to the locally-sourced renewable resource of wood.



Renewable energy communities are entities through which citizens and/or local authorities own or participate in the production and/or use of renewable energy. With more than 2500 initiatives EU-wide, they have been key in triggering the energy transition in Europe. The local anchorage and ownership of such initiatives increases social acceptance for renewable energy projects, especially for wind. They also lower the costs by making available the most adequate sites.



## Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

Europe's recovery from the economic crisis supported the steady increase of employment. Investment nearly recovered to the pre-crisis level and public finances are improving, although the recovery faces downside risks. Still, the expansion is not benefitting all citizens and Member States in the same manner, with in particular unemployment still high in some countries. Investment and productivity trends suggest more can be done to bolster the recovery and the transition to a more sustainable economic growth under the long-term global challenges of demographic change and digitalisation. Next to the continued efforts to arrive at sustainable public finances in the long term, the EU continues to promote investments, in particular in education, skills and R&D, and structural reforms to increase the effectiveness of the business environment and product and labour markets. The 'Investment Plan for Europe' is instrumental in attracting private investment into strategic sectors of the European economy. Structural reforms designed to improve labour markets and social policies should help the workforce to acquire the necessary skills for the transition to green economy and promote better access to and equal opportunities in the labour market, fair working conditions, and sustainable and adequate social protection systems. They should also contribute to increasing labour productivity and thus wage growth. Involvement of social partners in the design and implementation of reforms can improve ownership, impact and delivery. At the international level, the EU is pursuing inclusive and sustainable growth, creating decent jobs, and promoting labour and human rights. Examples of external action in this respect include the European Consensus on Development, the EU external investment plan, the EU action plan on human rights and democracy 2015-2019, and EU action through EU neighbourhood and enlargement policies. The EU's trade policy promotes the respect of core international labour standards and human rights. The promotion of responsible business practices based on international guidelines is anchored in several EU policies, including trade.



#### KEY TRENDS

- Europeans have on average a higher **living standard** than two decades ago. In 2002 - 2017, real **GDP** per capita has grown by an average of 1.1% per year. Recently, the EU economy has been expanding at the highest pace since the onset of the 2008 crisis, with real GDP growth increasing to 2.2% in 2017.
- The total **investment** share of GDP in the EU was 20.8% in 2017, following a sharp drop during the economic and financial crisis. It has grown by 1.0% on average per year since 2013. The "Investment Plan for Europe" is expected to create 1.4 million jobs and increase EU GDP by 1,3% by 2020.
- **Labour productivity** has accelerated somewhat, but its growth remains below pre-recession trends.
- **Labour market participation** continues its stable increase, reaching an activity rate of 73.4% in 2017. The increase has been mainly driven by older workers and women. Total employment has hit a record of 239 million workers, full-time jobs are on the rise increasing by 2.3 million, while the number of part-time workers remained stable. By 2015, employment in the environmental goods and services sector alone has increased by 47.3% since 2000. **Long-term unemployment** continues to decline but still represents a little

less than half of total unemployment. **Youth unemployment**, which peaked at 23.8% in 2013, diminished to 16.8% in 2017. In 2017, 7.7% of European employees were involuntarily working on **temporary contracts**, corresponding to 57.7% of all temporary employees and this share has increased slightly over the past decade. The share of involuntary **part-time employment** in the EU, which affects mostly women, as a percentage of total part-time employment rose from 25.6% in 2008 to reach its peak at 29.6% in 2014, after which it declined to 26.4% in 2017.

- With respect to the **working poor**, 9.6% of the employed were also at-risk-of-poverty in 2017. This has stabilised in the last four years, although at a higher level than in 2008 (8.5%).



## GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), 17 EU Member States have a score of 80 or more out of 100 for SDG 8. Nine EU Member States are in the worldwide top 20.

## EUROPEAN UNION IN 2030



### EU UNDER CURRENT TRENDS/ ALL THINGS BEING EQUAL

The EU will have to ensure high overall employment rates through the creation of quality jobs serving the sustainability transition, especially for women, young people, the elderly, disabled people, migrants and marginalised communities. This would help ensure the adequacy and sustainability of the European social welfare model in a context of population ageing and slow productivity growth. Although investments in the European economy will **continue to grow, they need sustained support to overcome bottlenecks**. The EU's shrinking population and waning economic power will influence its position in the global economic order. Digitisation and demographics will have implications for both future growth and labour market developments. This calls for a stronger focus on the EU's comparative advantages linked to quality education and further investment in research and innovation, which needs to promote social inclusion and environmental sustainability. The transition towards a circular economy will continue as well as actions to eradicate forced labour and human trafficking.



### OPPORTUNITIES/POSITIVE DRIVERS

Upskilling and reskilling, digitalisation, research and innovation, societal involvement and participatory politics, society's pressure for sustainable production chains, artificial intelligence, new technologies, corporate social responsibility/responsible business conduct, sustainable finance, public-private partnerships, the collaborative circular low carbon economy, social economy and development of social economy ecosystems, focus on resilient societies, multilateralism, open and fair trade, research and innovation.



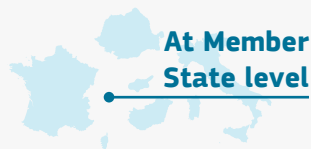
### RISKS/NEGATIVE DRIVERS

Low productivity growth, skill mismatches, slow diffusion of new digital technologies and the impacts of technological transformations on workers and specific sectors, social inequalities, regional and territorial disparities, the impacts of demographic changes and the role of migration and forced displacement, environmental degradation and climate change, geopolitical instability and security threats, return to economic protectionism worldwide, difficulty to measure productivity in increasingly intangible economies, labour market segmentation and job precariousness, digital divide, data protection, work-life balance.

## POLICY HIGHLIGHTS



The ‘Investment Plan for Europe’, the so-called ‘Juncker Plan’, has had a strong success in boosting the investment climate. In July 2018, the European Fund for Strategic Investments (EFSI) reached its initial target of EUR 315 billion investment and by December 2018 it has mobilised EUR 371 billion in additional investment across the EU since 2015. It has already supported more than 750,000 jobs. The figure is set to rise to 1.4 million jobs by 2020. More than 850,000 small and medium-sized businesses (SMEs) are benefiting from improved access to financing. At least 40% of European Fund for Strategic Investments financing under the infrastructure and innovation window supports project components that contribute to climate action in line with the Paris Climate Agreement.



In 2017, the Czech Republic introduced more flexibility in scheduling and entitlements to working hours and leaves; strengthening collective bargaining process; changes into contract law; changes into collective redundancies’ regime; changes in ‘teleworking’-related provisions; and strengthening of reconciliation tools such as ‘homeworking’.



The city of Ghent in Belgium makes regular use of the European Social Fund to support the integration of refugees and Roma in the labour markets. For example, its project ‘Labour Team IEM’ (2015 - 2017) offered tailored guidance to Roma people. The main objective was to help at least 190 intra-European migrants (IEM), mostly Roma, enter the labour market. The project continues in 2018-2019 with European Social Fund support.



The European Investment Bank is providing a EUR 7.5 million loan (backed by the European Fund for Strategic Investments) to Greenfiber International SA to finance a recycling and circular economy project in Romania. The project will help create 280 full-time jobs and it will increase the amount of waste collected and processed by over 50,000 tonnes per year.



In 2014, a Portuguese coalition of national civil society umbrella organisations was created to prepare a common position on the United Nations 2030 Agenda for Sustainable Development. The coalitions organised national consultation processes, online questionnaires and local workshops to debate expectations on the United Nations 2030 Agenda for Sustainable Development, including those related to SDG 8.



## Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

High-performance infrastructure in the transport, energy and digital sectors is essential to a well-connected and integrated EU, where citizens and businesses can fully benefit from free movement and the single market, as well as from adequate social infrastructures. This is why inter alia the trans-European networks in transport, energy and digital sector address in an integrated way the need for resilient, sustainable, seamless and innovative infrastructures. Investments in space infrastructure are also a strategic concern. Europe's industry is strong and has retained a leading position in many sectors in global markets. The EU facilitates the transition to a smart, innovative and sustainable industry that creates benefits for all citizens. While the EU experiences GDP growth, total greenhouse gas emissions are decreasing, suggesting a decoupling of emissions from growth. European policies are geared to empower industry to conduct their business in a responsible and sustainable way, create jobs, boost Europe's competitiveness, foster investment and innovation in clean and digital technologies and defend Europe's regions and workers most affected by industrial change. The EU emphasis on investing in research and innovation as well as digital transformation helps us to compete globally by creating more jobs and business opportunities. The EU is the most open research and innovation area in the world, but improvements are needed in terms of scale-up and diffusion, with innovations not always being translated into new market and growth opportunities. Business sector investment in research and innovation has to step up as it currently only reaches 1.3% of GDP, lagging behind China (1.6%), the United States (2%) or Japan (2.6%). Digital transformation is an important enabler for the transition to low-carbon, circular economy and society. At the international level, the European Consensus on Development supports the design, construction and operation of high quality, resilient, climate-friendly infrastructures in order to promote equitable and affordable access for all, growth, trade and investments. EU trade, enlargement and neighbourhood policies also contribute in this area.



#### KEY TRENDS

- **Manufacturing industry** accounts for two thirds of the EU's exports, provides jobs for 36 million people - one out of five jobs in Europe - and contributes to high standards of living for European citizens.
- **Greenhouse gas emissions** in terms of industrial processes and product use have decreased by more than 17% in the period 2000-2016. Moreover, this improvement is confirmed by the reduction in energy consumption by 17% in industry over the period 2000-2016.
- **R&D investment:** Europe accounts for 20% of global R&D investment, produces one third of all high-quality scientific publications, and holds a world leading position in industrial sectors such as pharmaceuticals, chemicals, mechanical engineering and fashion. The two biggest spenders on research and development are the business enterprise sector (65%) and the higher education sector (23%) while the government sector had a share of 11% in 2016.
- **Patent applications** in the EU increased considerably prior to the economic crisis, and have stagnated ever since.
- **Corporate Social Responsibility:** 77% of EU companies include corporate social responsibility in their reporting and many of them lead in integrating integrating corporate social responsibility/responsible business conduct activities with the SDGs.



## GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), 10 EU Member States have a score of 73 or more out of 100 for SDG 9, with notable differences between Member States. 10 EU Member States are in the worldwide top 20.

## EUROPEAN UNION IN 2030



### EU UNDER CURRENT TRENDS/ ALL THINGS BEING EQUAL

Europe is leading the path towards a more sustainable and inclusive industry. Economic, societal and environmental transformations will accelerate as well as technological breakthroughs in areas such as robotics, internet of things, artificial intelligence and energy systems. Automation, enabled by information technologies, will transform traditional manufacturing processes and the nature of work. Industry is increasingly integrated in global value chains with strong service components. Emerging business models will disrupt traditional markets. Innovation itself and value creation change in profound ways, driven by a new generation of consumers who expect value-co-creation, sustainable business conduct, connectivity and real-time performance measurements. Data become the new competitive factor. Demand for raw materials will continue to increase. With strained natural resources and climate change becoming an ever more tangible reality, demand for sustainable products circular consumption and zero- or low-emissions will increase exponentially and eco-innovations are needed. Europe will step up its investment in research and innovation, and resilient infrastructure, inter alia through Horizon Europe - the EU's next Framework Programme for Research and Innovation.



### OPPORTUNITIES/POSITIVE DRIVERS

Societal involvement and participatory politics, artificial intelligence, internet of the things, full digitalisation, the collaborative and circular carbon-neutral economy, focus on resilient societies, corporate social responsibility/responsible business conduct, responsible and sustainable mining and sourcing, sustainable finance, public-private partnerships, crowdfunding and education, multilateralism, open and fair trade.



### RISKS/NEGATIVE DRIVERS

Low public and business sector investment, also in research and innovation, changing value chains, skill mismatches, shifts in global demand, geopolitical instability and security threats, social inequalities, ageing of our societies, climate change and environmental risks associated with increasing demand for natural resources, urban/rural divide.



## POLICY HIGHLIGHTS



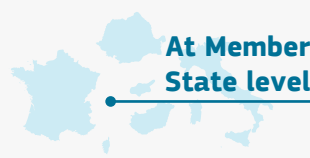
### The EU at the international level

Thanks to their increased accuracy and reliability, the European Satellite Navigation Programmes Galileo and EGNOS offer improved positioning and timing information with significant positive implications for many European services and products that people use every day, from the navigation device in your car to a mobile phone as well as critical, emergency response-services. The Group on Earth Observations promotes applications of environmental observations in support of the SDGs and the Paris Climate Agreement.



### At EU level

The trans-European networks address the need for resilient, seamless and innovative infrastructures in the transport, energy and digital sectors. They aim at providing connectivity for all regions of the EU, and thereby contribute to 'including' citizens in all parts of Europe. Infrastructure is built and adapted so as to ensure it withstands risks associated with climate change, while promoting inclusion, fostering innovation and job creation.



### At Member State level

Sweden is the innovation leader in the EU with high private and public investment in research and development, a high number of patent applications, innovative SMEs and a high share of employment in knowledge-intensive activities. Furthermore, investment in manufacturing has grown faster than the EU average and energy-efficiency of industrial production is very high.



### At regional/local level

The thematic smart specialisation platform for industrial modernisation offers opportunities to regional managing authorities with similar smart specialisation priorities to cooperate based on each other's competences, share infrastructure, allow scaling up to larger impact and develop joint investment projects.



### At company level

The European Fund for Strategic Investments has helped an Estonian company produce an energy storage device called ultra-capacitor, which is 100 times more powerful than an ordinary battery and can withstand one million recharge cycles. The company has raised EUR 15 million for a manufacturing facility in Germany capable of producing millions of new ultra-capacitors a year.



## Reduce inequality within and among countries

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

Like poverty, inequality is a multidimensional concept. It covers inequalities in both outcomes and opportunities, such as income inequality, uneven access to social protection, as well as intergenerational transmission of inequality. Inequality of opportunities is an important driver of income inequality. Income convergence has been taking place within the EU, and living standards have been recovering from the crisis in most Member States. However, as the European economies are regaining strength, concerns have grown about the inclusiveness of economic growth. Income inequality within the EU as a whole has stabilised over the last years, although its level remains a challenge. Marginalised and vulnerable groups, such as people with disabilities, migrants and ethnic minorities (including the Roma), homeless people or isolated older people and children suffer from particular forms of inequalities. Their socio-economic inclusion continues to be inadequate. Inequality can hamper economic growth, macroeconomic stability, and can potentially undermine social cohesion. Globally, persistent high levels of inequalities in the EU partner countries are a threat to progress towards most SDGs. Global inequality may also lead to higher migration into the EU. In response to recent challenges in the area of migration, the Commission has worked to provide an immediate response and to build a sustainable, crisis-proof system for the future. Sustainable management of migration flows is essential. The EU's external action, including its foreign and security policy, development policy, enlargement and neighbourhood policies, and the EU's trade and investment policy all contribute to tackling the causes of inequality outside Europe. For example, the European Consensus on Development promotes the principle of leaving no one behind and commits to taking action to reduce inequality of outcomes and promote equal opportunities for all.



#### KEY TRENDS

- **Disposable income:** Economic disparities between EU countries have reduced over time. The real adjusted gross disposable household income per capita increased in a large majority of Member States. In 2017, it was on average 4.4% above the pre-crisis level in 2008. There has been some income convergence between EU Member States, as the disposable income in the Member States with lower income levels, such as Romania, Bulgaria and Poland, grew faster than the EU average.
- **Income inequality:** In 2017, for the EU on average across the Member States, the richest 20% of households received an income share that was 5.1 times higher than that of the poorest 20%, which is still above pre-crisis levels (4.9 in 2009). However, this ratio decreased compared to 2016 (5.2), signalling some improving prospects on reducing income inequalities in the EU Member States. Stabilisation trends in income inequality within EU Member States are also observed when looking at the income share of the bottom 40% of the population. This stood at 21.2% in 2008 and 2012, slight dropped to 20.9% in 2016, and increased back to 21.2% in 2017.
- **Inequality of opportunity:** An important feature of inequality of opportunity is the impact of parents' socio-economic position on their children's educational attainment. According to the 2015 Programme for International Student Assessment (PISA) test, 33.8% of EU pupils from the most disadvantaged socio-economic backgrounds were low achievers in science, compared to only 7.6% of their most privileged peers. There were large variations between the Member States.

- **Development aid:** The EU remains the world-leading donor, providing over 50% of all global development aid, thereby also contributing to reducing inequalities worldwide. Total EU financing for developing countries, encompassing flows from the public and private sector, has more than doubled since 2001, representing an average annual growth of 6.4%.



## GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), 13 EU Member States have a score of 80 or more out of 100 for SDG 10. 11 EU Member States are in the worldwide top 20.

## EUROPEAN UNION IN 2030



### EU UNDER CURRENT TRENDS/ ALL THINGS BEING EQUAL

The EU and its Member States will work towards ensuring inclusive and sustainable growth in the EU, a necessary condition to reduce inequality. They will combine efficient, effective, and adequate social protection and support services, good education allowing equal chances for all, and well-functioning labour markets supported by effective labour market policies. This will not only allow to reduce inequalities between EU Member States, but also to significantly reduce inequality within Member States. Technological advances, in particular the deployment of artificial intelligence, will have to be well managed to avoid a digital divide. As for migration trends, it is clear that no EU country can or should be left alone to address huge migratory pressures. The EU will further reduce incentives for irregular migration, save lives and secure external borders, implement a strong common asylum policy and policies on legal migration, whilst helping to effectively integrate legal migrants and refugees into the EU's labour markets and societies. The EU's external action will continue tackling inequality outside Europe.



### OPPORTUNITIES/POSITIVE DRIVERS

Societal involvement and participatory politics, corporate social responsibility/responsible business conduct, social welfare (e.g. taxation and social protection and social inclusion systems, labour market policies, housing policies, healthcare, childcare, educational attainment, skills levels and life long learning), transport and digital accessibility addressing the spatial dimension of inequality, fight against fraud and corruption, sustainable finance, multilateralism, open and fair trade.



### RISKS/NEGATIVE DRIVERS

Inequality of opportunities, ageing societies, changing household composition (e.g. single person households), gaps in social welfare, climate change and environmental degradation, geopolitical instability and security threats, return to economic protectionism worldwide.

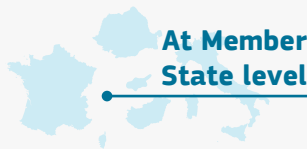
## POLICY HIGHLIGHTS



The European Consensus on Development promotes the principle of leaving no one behind and commits to take action to reduce inequality of outcomes and promote equal opportunities for all. The EU's trade and investment policy aims to maximise the potential of trade preferences, trade agreements and investment agreements for job creation, high levels of labour protection and investment generation in partner countries, notably developing ones, thus contributing to reducing inequality.



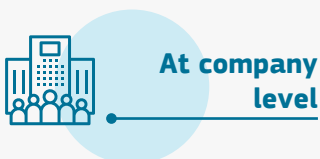
Many of the 20 principles of the European Pillar of Social Rights are about ensuring equal opportunities for all, fairness and inclusion in labour markets and society. It is accompanied by a social scoreboard monitoring trends and performances across the EU. The European semester is a key delivery mechanism of the Pillar, and, it has been further strengthened to focus on social fairness, inequalities and a more inclusive growth. The EU cohesion policy promotes social inclusion, while fighting poverty and discrimination.



The tax and benefits system in Cyprus has become more effective in addressing income inequality. Its redistributive effects have grown almost twofold since the crisis (during 2009-2016). For instance, in 2014, Cyprus introduced a guaranteed minimum income scheme, which also helps to incentivise work. The scheme appears to have an important positive impact on reducing poverty and inequality, and has contributed to strengthening the social safety net.



A pilot project 'Housing First for Families' run by the local municipality of Brno in Czech Republic demonstrates the leadership of the municipality with community partners in addressing homelessness. The project provides a municipal flat and intensive housing first case management for 50 Roma and non-Roma families, shelters or other forms of homelessness. Based on the pilot, an action plan to end family homelessness in Brno 2018-2025 was adopted.



La Bolsa Social is the first equity crowd-impacting platform in Spain for investors and businesses who want to create a positive social impact. The company connects social impact investors with enterprises to promote the SDGs. La Bolsa Social has funded 10 social and environmental impact companies with EUR 1.8 million. Five of them have specifically focused on providing people with disabilities with access to information, social life and public space.



The Swedish 'Bread in Bergslagen' project entailed traditional bread baking courses as a means of integrating new migrant arrivals and providing vocational training. It used the physical activity as the starting point for dialogue, whilst trained volunteers facilitated discussions between participants.



## Make cities and human settlements inclusive, safe, resilient and sustainable

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

Cities in Europe are at the heart of today's economic, environmental and social challenges. More than 70% of EU citizens live in urban areas while about 85% of the EU's GDP is generated in cities. Cities and communities are essential for the well-being of Europeans and their quality of life as they serve as hubs for economic and social development and innovation. They attract many people because of the wide range of opportunities for education, employment, entertainment and culture. However, EU cities also face challenges such as migratory pressures and social exclusion, congestion, a shortage of adequate housing, declining infrastructure and rising air pollution, to name a few. Cities are also particularly vulnerable to climate change and natural disasters impacts. It is a joint effort of the Commission, Member States and European cities, to strengthen the urban dimension of European and national policies. In line with the UN New Urban Agenda, the EU strengthens the resilience of urban settings through prevention of disaster and climate related risks and responds in a more coordinated way to the different urban challenges. At international level, the European development, foreign and security, enlargement and neighbourhood policies seek to improve living conditions in cities. The European Consensus on Development stresses the need to focus more on cities and local authorities as important actors in achieving the SDGs.



#### KEY TRENDS

- The **recycling rate of municipal waste** increased, by 11.0 percentage points in total between 2007 up to 2016.
- **Quality of housing** in the EU improved over the past six years. The share of EU inhabitants experiencing basic deficits in their housing condition decreased by 4.8 percentage points between 2007 and 2017 when it stood at 13.1%.
- People living in cities had easier access to **public transport**, with only 9.7% of them reporting high or very high levels of difficulty, compared to 37.4% of those living in rural areas.
- Substantial **air pollution** hotspots remain although exposure to air pollution by fine particulate matter had decreased by almost 20% between 2010 and 2015.
- **Artificial land cover** per capita has increased by 6% in 2015 since 2009. As Europe is one of the most urbanised continents in the world, further efforts are needed to halt land degradation.
- **Local and regional authorities** involved in the European Covenant of Mayors' Action plans achieved a 23% greenhouse gas emission reduction, cut final energy consumption by 18% and work towards increasing the share of local energy production to reach 19% of the energy consumed by 2020.



#### GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), 23 EU Member States have a score of 80 or more out of 100 for SDG 11. 10 EU Member States are in the worldwide top 20.

## EUROPEAN UNION IN 2030

### EU UNDER CURRENT TRENDS/ ALL THINGS BEING EQUAL

The share of the urban population in Europe is projected to rise to just over 80% by 2050. The EU and its Member States at all levels of governance, together with civil society, businesses and researchers work together to create the ever-evolving city for tomorrow's society. European cities will remain poles of attraction for citizens, offering increasing employment possibilities, quality of living, and social services. To ensure living well together, European cities work in a participatory manner with stakeholders at all levels on areas such as housing, energy, mobility, water, climate action, poverty eradication, inequality, circular economy, resilience and security. European cities will become smart cities, where traditional networks and services will be more efficient with the use of digital and telecommunication technologies for the benefit of its citizens and businesses.

### OPPORTUNITIES/POSITIVE DRIVERS

Smart specialisation, partnerships between cities, societal involvement and participatory politics (e.g. collaborative urban governance, multi-stakeholder platforms), sustainable urban mobility plans, corporate social responsibility/responsible business conduct, crowdfunding and other forms of innovative financing, digitisation, artificial intelligence and new technologies, collaborative economy, low-emission public transport, active mobility (walking and cycling) and relevant infrastructure, research and innovation, low-emission buildings, urban farming, urban green spaces.

### RISKS/NEGATIVE DRIVERS

Environmental degradation and climate change, pollution, ageing societies, crime and security threats, fraud and corruption, social inequalities, rising housing prices.



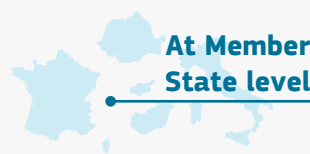
## POLICY HIGHLIGHTS



In the field of development, the Commission has a new approach on 'European Union cooperation with cities and local authorities in third countries', focusing EU external support on planning, financing, and governance of cities.



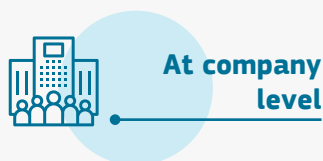
The urban agenda for the EU was launched in May 2016 with the Pact of Amsterdam. It represents a new multi-level working method promoting cooperation between Member States, cities, the Commission and other stakeholders in order to stimulate growth, liveability and innovation in the cities of Europe and to identify and tackle social challenges. By focusing on concrete priorities within dedicated Partnerships, the urban agenda for the EU seeks to improve the quality of life in urban areas.



Current housing pressures in Ireland arise in part as a result of the collapse of housing construction levels. In 2016, the Irish government launched its action plan on housing and homelessness rebuilding Ireland, which aims to accelerate housing supply across all tenures. The action plan has five main 'pillars' to address specific challenges: address homelessness, accelerate social housing, build more homes, improve the rental sector and utilise existing housing.



'Global Nachhaltige Kommune' (Global Sustainable Municipalities) is a project implemented in the German region of North Rhine-Westphalia helping 15 local authorities, ranging from small and medium-sized to large towns and rural districts, via systematic support in the elaborating a sustainability strategy addressing their individual local challenges, based on the global framework of the SDGs. Its approach has also been adopted in other German regions.



LIPOR, an inter-municipal waste management company of Greater Porto in Portugal, is responsible for the management, recovery and treatment of municipal waste produced in associated municipalities. LIPOR invested and created an Adventure Park in an old landfill after environmental and landscape recovery. It has created a playful space zone, leisure and training.



The Urban Laboratory, an Estonian non-governmental organisation, is dealing with the development of sustainable and inclusive cities. Urban Laboratory is counselling the local authorities, introducing modern trends in Estonia and improving the awareness of people about the living environment.



## Ensure sustainable consumption and production patterns

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

Sustainable consumption and production aims to reduce Europe's environmental footprint by changing the way we produce, distribute and consume goods and use resources. The EU has made progress over the past few years towards becoming resource-efficient, green and competitive low-carbon economy but sustainable consumption and production still remains the key challenge for achieving the SDGs in the EU and requires continued efforts at all levels. The EU's approach is to promote resource efficiency whilst reducing environmental impacts through transition to a circular economy where the value of products, materials and resources is maintained in the economy for as long as possible, and the generation of waste and pollution minimised. The 54 actions of the 2015 EU circular economy action plan intervene at all stages of product and material cycles (production, consumption, waste management, market for secondary raw materials, innovation & investments, monitoring) and 5 priority areas (plastics, food waste, critical raw materials, construction and demolition, biomass and bio-based products). By 2018, more than 85% of the actions had already been delivered, while the remaining ones have been launched. A European circular economy stakeholder platform was launched in 2017 to encourage companies, public authorities and other stakeholders to share knowledge and showcase good practices, as well as a the EU platform on food losses and food waste in 2016. A dedicated partnership was established in the framework of the urban agenda for the EU to look into this question and proposes several actions to mainstream circular economy in cities. Additionally, Europe's bioeconomy Strategy, renewed in 2018, supports the modernisation and strengthening of the EU industrial base through the creation of new value chains and greener, more cost-effective industrial processes. On the external side, the EU promotes responsible management of supply chains and fair and ethical trade schemes as part of its values-based trade agenda; also the EU's development, enlargement and neighbourhood policies stress the importance of sustainable consumption and production in their actions.



#### KEY TRENDS

- **Decoupling of economic growth from the consumption of natural resources** is measured by the EU's resource and energy productivity. Since 2001, the EU has increased its resource productivity by 36.4% (2017) and its energy productivity by 29.2% (2016), meaning that more output (in terms of GDP) was produced per unit of used materials or energy.
- Between 2004 and 2016, the amount of waste generated, excluding major mineral wastes, decreased by 6.5% in the EU. Between 2004 and 2014 the EU **recycling rate** rose slightly from 53% to 55% and the **circular material rate**, indicating the share of used materials which came from collected waste in the overall material use, increased from 8.3% to 11.7%.
- The EU economy depends on raw materials from the rest of the world. More than 60% of EU's total physical imports are raw products.



#### GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), 11 EU Member States score above 60 out of 100 for SDG 12. Overall, this is on average the second lowest ranking SDG for the EU Member States.

## EUROPEAN UNION IN 2030

### EU UNDER CURRENT TRENDS/ ALL THINGS BEING EQUAL

Europe will have to continue to focus on sustainable production and consumption in face of pressure on material supplies and its own relatively limited domestic material resources. Particular attention will need to be paid to metal ores and critical raw materials, which are high value and where Europe is particularly dependent on imports. Emphasis will also be needed on heavy and energy intensive materials such as cement, aluminium, steel and plastic in view of their potential for reducing greenhouse gas emissions. Sectors where resource use has a particularly high impact on the environment (for example in terms of water use, pollution, air quality and nutrients) will also need attention, for example food systems and textiles. Thanks to the revised EU waste legislation and the EU action plan on food waste, the EU will reduce the food waste generated annually to help achieve the global target of halving food waste by 2030. Waste legislation will drive up rates of recycling to a legally binding 60% by 2030, with higher rates for many packaging materials. Attention will need to be paid to delivering higher quality of recycling, not only quantity, to reducing resource use and generation of waste through better product design, and to systemic approaches designed to keep products and materials in use, providing value in the economy. The recycled content in new products, notably in plastic products, will need to increase.

### OPPORTUNITIES/POSITIVE DRIVERS

Behavioural change, societal involvement, society's pressure for sustainable production chains, partnerships and participatory politics, education, corporate social responsibility/responsible business conduct, crowdfunding and other forms of innovative financing, anticipatory policies for just transition, artificial intelligence, new technologies, research and innovation, collaborative and circular economy, bioeconomy, digitalisation, sustainable finance, reformed taxation (e.g. taxation of resources and pollution), green procurement, smart cities, internet of the things, open and fair trade.

### RISKS/NEGATIVE DRIVERS

Traditional/conservative consumption and production patterns, resistance from sectors/regions losing their traditional economic activities, slow change of regulatory environment, lack of financial incentives.

## POLICY HIGHLIGHTS



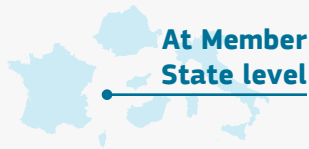
### The EU at the international level

At the international level, one of the EU initiatives is the SWITCH to green flagship that brings together governments and stakeholders from the EU and partner countries and focus on the adoption of sustainable consumption and production practices by the private sector.



### At EU level

New EU rules on waste were adopted in 2018 aiming that by 2030 all Member States must re-use or recycle 60% of municipal waste and 70% of packaging waste, and they must reduce landfill to less than 10% by 2035. For the first time, the new waste rules require Member States to adopt specific food waste prevention programmes and reduce, monitor and report on food waste levels.



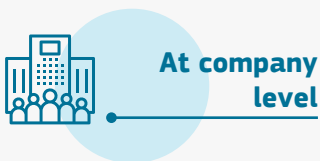
### At Member State level

A recent regulation proposal in Sweden cuts value-added tax (VAT) charged on repair work and provides tax rebates for the labour cost of repairs. The measure will reduce the cost to consumers of repairing appliances, and encourage them to commission repair work, rather than dispose of them and buy new ones.



### At regional/local level

With the help of EU funds, Ljubljana has developed an integrated waste system covering 37 municipalities with a regional waste management centre. Since joining the EU, the Slovenian capital has boosted separate collection and recycling, and reduced the amount of waste sent to landfill by 59%. It also invested in prevention and reuse. Ljubljana now generates 41% less waste per capita than the European average and decided not to build two new incinerators as originally planned.



### At company level

UMICORE has transformed itself in 20 years from a Belgian non-ferrous mining company, into a global materials technology and recycling group, with 10,000 employees and a turnover of EUR 10.4 billion with investments in Belgium, Bulgaria, the Netherlands and France. The company embraces a circular economy model recovering valuable metals and critical raw materials from waste electronic and electrical equipment.



### At civil society level

Together with its members, the European Federation of Food Banks provided, in 2017, 44.700 front-line charity organizations with 4.1 million meals each day for the benefit of 8.1 million people. This is done in close cooperation with food business operators in order to save food which would otherwise go wasted and make it available to those in need.



## Take urgent action to combat climate change and its impacts

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

Climate change is one of the greatest global challenges of our generation. Combatting climate change requires global action to reduce the world's greenhouse gas emissions. The EU has been at the forefront of international efforts towards a global climate deal. The international community, including the EU, has committed to halting the increase in global temperature to well below 2°C above pre-industrial levels and pursue efforts to limit the increase to 1.5°C. These objectives, underpinned by scientific research as part of the Intergovernmental Panel on Climate Change, are enshrined in the Paris Agreement. The EU has committed to cutting its greenhouse gas emissions by 20% by 2020 and at least 40% by 2030 (from 1990 levels). The EU is on track to meet its emissions reduction target for 2020 and has legislation in place to achieve its 2030 target, including ambitious energy efficiency and renewable energy legislation. Since 2013, the EU strategy on adaptation to climate change supports actions to make the EU more climate-resilient. But the EU needs to go further to live up to the Paris Agreement and significantly reduce its dependency on fossil fuels, which are still significantly subsidised. The Commission presented in November 2018 its strategic longer-term vision for a prosperous, modern, competitive and climate-neutral economy by 2050. It highlights how all sectors and policies should contribute to achieve this transition. At the international level, the EU's foreign and security, development, enlargement and neighbourhood policies actively integrate climate objectives. The fight against climate change is also included in the trade and sustainable development chapters of the EU's new generation trade and investment agreements and is also an integral part of the EU positions at the G20, a leading forum of the world's major economies.



#### KEY TRENDS

- The EU continues to successfully **decouple** its **economic growth** from its **greenhouse gas** emissions: during the period 1990-2017, the EU's combined gross domestic product grew by 58%, while total greenhouse gas emissions decreased by 22% in comparison with 1990 levels. At the Member State level, there are significant differences in greenhouse gas emission trends since 1990, with some Member States having cut emissions by almost 60% and a few Member States having increased emissions.
- The **greenhouse gas intensity of energy consumption** - the emissions per unit of energy consumed - fell by 12.1% between 2000 and 2016.
- The EU aims at meeting its 2020 **energy efficiency target of 20%**. Between 2005 and 2016, the EU's primary energy consumption dropped by 9.9% and its final energy consumption by 7.1%. In the period 1980-2016, **weather and climate-related losses** accounted for a total of EUR 410 billion in losses at 2016 values for Member States.
- Fossil fuel subsidies remain high. In the EU, approximately EUR 112 billion are estimated to have been allocated annually to the production and consumption of fossil fuels between 2014 and 2016.
- The EU is pursuing an overall target of 20% **climate related expenditure** in the current **European multiannual budget** for the period 2014-2020, and has proposed to increase this target to at least 25% in the period 2021-2027.

- Between 2013 and 2018, the number of Member States with a national **climate adaptation strategy** went from 15 to 25, and work is ongoing in the remaining Member States. In 2018, 26% of all EU cities and 40% of the cities over 150,000 inhabitants were estimated to have local adaptation plans.
- The EU and its Member States are the **world's biggest providers of climate finance**: in 2017 the EU, European Investment Bank and Member States provided EUR 20.4 billion to help developing countries tackle and adapt to climate change, more than double the amount of 2013. This represents approximately half of the world's total.



## GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), 22 EU Member States score above 80 out of 100 for SDG 13. Five EU Member States are in the worldwide top 20.

## EUROPEAN UNION IN 2030



### EU UNDER CURRENT TRENDS/ ALL THINGS BEING EQUAL

The EU remains determined to lead the way on the fight against climate change and will have achieved its goal to cut at least 40% of its greenhouse gas emissions by 2030 from 1990 levels. The Commission presented, in autumn 2018, a proposal for an EU long-term strategic vision in accordance with the Paris Agreement, which includes pathways to achieving net zero greenhouse gas emissions within the EU by 2050. The Commission provided a comprehensive vision for making the European economy more modern, competitive and resilient, as well as more socially fair for all Europeans, leaving no-one behind. The EU will have to continue assuming its climate action leadership and push for increased global ambition beyond 2030 from all the largest polluting countries worldwide. In this context, further strengthening of an ambitious global response to the impacts of climate change will remain a priority. Also, disaster risk reduction, climate adaptation and mitigation will remain high on the agenda. The EU will continue to cooperate in international fora, such as the International Civil Aviation Organisation and the International Maritime Organisation.



### OPPORTUNITIES/POSITIVE DRIVERS

Clean energy and low-and zero emission mobility, circular low carbon economy, bioeconomy and sustainable production chains, behavioural change, participatory politics, anticipatory policies for just transition, corporate social responsibility/responsible business conduct, innovative and sustainable finance, public-private partnerships, green procurement, reformed taxation (e.g. taxation of resource use and pollution), education, green digitalisation, artificial intelligence and new technologies, research and innovation, resilient societies, multilateralism, uptake of environmental goods and services.



### RISKS/NEGATIVE DRIVERS

Insufficient public and private investment, geopolitical instability and security threats, return to economic protectionism worldwide, social inequalities, increasing energy consumption and negative environmental impact driven by digitalisation, continued destruction of ecosystems and biodiversity, slow changes in the regulatory environment.



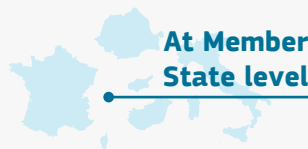
## POLICY HIGHLIGHTS



The EU Global Climate Change Alliance (GCCA+) seeks to enhance policy dialogue and support developing countries in their efforts to address climate change.



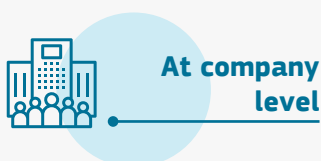
Local authorities are key drivers of the fight against climate change at the level of governance closest to citizens. The EU Covenant of Mayors for climate & energy brings together thousands of local governments voluntarily committed to implementing EU climate and energy objectives. It has also contributed significantly to raising awareness at the local level on the need to prepare for the impacts of climate change, with local action for adaptation and resilience playing a crucial role in protecting people and their assets.



France has made it compulsory for municipalities with more than 20,000 inhabitants (covering 90% of France population) to adopt local climate plans, which must include sections on climate change mitigation and adaptation. In 2018, around 75% of French municipalities had developed local mitigation plans and around 55% had developed local adaptation plans. These rates are 2 to 5 times higher than in countries where no such national regulation exists.



A geothermal power plant in Prelog, Croatia, will be able to make use of the full energy content of the geothermal brine: the heat of the thermal water and the energy contained in aquifer gases, such as methane, dissolved in the water, making it nearly 100% greenhouse gas emissions free. It can serve as a blueprint for more sustainable exploitation of the geothermal resources, with replication opportunities in Europe and worldwide.



Hydrogen Breakthrough Ironmaking Technology (HYBRIT) is an initiative launched in 2016 by three large Swedish companies. It wants to set up an iron production process with close-to-zero greenhouse gas emissions, in which the oxygen from iron ore is removed by using hydrogen gas instead of coke (from coal).



The European Solidary Corps is an EU initiative which by 2020 could dedicate over EUR 40 million to establish community-focused volunteering opportunities for young people in the fields of climate action and environment. One example is the Vänö Vänner Project in Finland, which enabled young Italians to contribute to sustainability and environmentally friendly cultural landscaping solutions in the Turku Archipelago, thereby contributing to positive climate action.



## Conserve and sustainably use the oceans, seas and marine resources for sustainable development

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

23 out of 28 EU Member States have a coastline. The EU's coastline is 7 times as long as the US' and 4 times as long as Russia's. Including its outlying regions, the EU has the world's largest maritime territory. The EU and its neighbouring countries share four main marine regions: The Baltic Sea, the Mediterranean Sea, the Black Sea and the North-East Atlantic Ocean, with habitat alteration, overfishing, pollution and acidification amongst the most important factors affecting their environmental status. European coastal waters are measured to be of very high bathing quality, but organic and chemical pollutants from human activities as well as marine litter continue to pose a serious threat to Europe's marine ecosystems: in early 2018, only 40 to 58% of the EU coastal waters were in good chemical status. The EU's environmental policy, including its flagship the Marine Strategy Framework law, and its integrated maritime policy provide a framework for a holistic approach to these problems. New EU-wide rules are proposed to target the 10 single-use plastic products most often found on Europe's beaches, as well as lost and abandoned fishing gear, which together constitute 70% of all marine litter. The new rules will put Europe ahead of the curve on an issue with global implications. The EU is supporting the conservation of coastal and marine areas globally. The EU's international ocean governance agenda for the future of our oceans established an overarching framework for strengthening international ocean governance to ensure oceans are safe, secure, clean, legally and sustainably used. Moreover, the EU's trade and investment agreements include dedicated provisions on the sustainable management and conservation of natural resources, such as marine biodiversity and fisheries. The EU's earth observation programme Copernicus is also delivering on ocean monitoring products in order to improve the quality of water.



#### KEY TRENDS

- Between 2012 and end 2016, the coverage of **marine protected areas** in Europe has almost doubled (from 6% to 10.8% of the EU sea surface) and it keeps increasing thanks primarily to the EU's marine 'Natura 2000' network. In 2016, three European regions surpassed the 10% Aichi target on biological diversity (the Baltic Sea, the Mediterranean Sea and the Black Sea) and the North-East Atlantic Ocean was very near to the target (9.9%).
- The conservation status of the large majority of individual marine habitats and species is unfavourable according to the last assessment available. Since 1988 there is a consistent and alarming increase in ocean acidity. Since 2008 significant progress has been made in defining, monitoring and assessing the good **environmental status of the marine environment** which is a prerequisite for measuring progress towards achieving clean and healthy oceans and seas.
- The **sustainability of fisheries** in the North-East Atlantic, where 75% of the EU's catch originates, has improved. The number of commercially important fish stocks caught at sustainable levels has increased from 34% in 2007 to 60% in 2015. Fisheries in the Mediterranean and Black Seas are not progressing towards sustainability at the same rate. In the Mediterranean Sea, more than 80% of stocks are overfished.
- In the EU, the **blue economy** is 2.5 times its aeronautical and defence economies combined. It generates EUR 566 billion of turnover per year (a 7.2% more than in 2009) and employs 3.5 million persons (a 5% more than in 2014), representing an increase of respectively 7.2% and 2% compared to 2009. In several EU Member States, the blue economy has grown faster than the national economy. The UK, Spain, Italy, France and Greece have Europe's biggest blue economies.



## GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), four EU Member States have a score above 60 or more out of 100 for SDG 14. Five EU Member States are in the worldwide top 20. Overall, this is the lowest ranking SDG for the EU27 Member States, with big differences between Member States.

## EUROPEAN UNION IN 2030



### EU UNDER CURRENT TRENDS/ ALL THINGS BEING EQUAL

The EU will remain active in shaping international ocean governance in all relevant international fora and bilaterally with key global partners', given that around 60% of the oceans are outside the borders of national jurisdiction. Additional efforts are needed in cross-sectoral and transboundary cooperation, especially at the regional level, to address existing and emerging challenges. The momentum will intensify with the roll-out of the 2021-2030 UN decade on ocean science, in which the EU is actively involved. The EU will continue to promote the creation of protected areas as well as their effective and science-based management. Additional efforts are needed to achieve sustainable fisheries, in particular in the Mediterranean and Black Sea. Marine pollution, including plastics, noise and nutrients from agriculture, will remain a problem. The entry of new plastic debris to the ocean might decrease with time but the plastic already present in the ocean will continue causing negative impacts. Enhanced action is required to reduce discharges of ship-generated waste and other forms of pollution, in particular nutrients and noise. The blue economy in Europe will continue to flourish. It is estimated that, by 2030, the global blue economy could double in size. For Europe this would mean 10.8 million jobs and more than EUR 1 trillion of turnover. All EU waters will be covered by ecosystem-based maritime spatial plans by 2021.



### OPPORTUNITIES/POSITIVE DRIVERS

International and regional ocean's governance, behavioural change, societal involvement and participatory politics, big data, earth observation, artificial intelligence, underwater and new technologies (e.g. molecular science), research and innovation, corporate social responsibility/responsible business conduct, crowdfunding and other forms of innovative financing, sustainable finance, public-private partnerships, green procurement, reformed taxation (e.g. taxation of resource use and pollution), internet of things, education, digitalisation, collaborative and circular low carbon economy.



### RISKS/NEGATIVE DRIVERS

Environmental degradation and climate change, pollution, irresponsible tourism, overfishing, illegal, unreported and unregulated fishing, social inequalities.

## POLICY HIGHLIGHTS



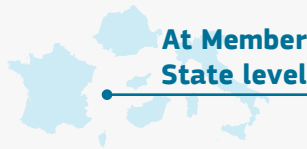
### The EU at the international level

The All Atlantic Ocean Research Alliance, launched in 2017, is a collaboration between the EU, Brazil, and South Africa aiming to deepen scientific knowledge of marine ecosystems and interrelations with oceans, climate change, and food.



### At EU level

The EU, its Member States and partners work on a concrete set of measures to achieve a healthy and productive marine environment for the Baltic Sea, the North-East Atlantic and the Mediterranean Sea by 2020, based on monitoring and assessment. In addition, the EU promotes complementary ambitious regional initiatives on individual pressures, such as the 2017 commitment to cutting 80% of NOx emissions from ships operating in the Baltic Sea in order to combat the problem of eutrophication in the region.



### At Member State level

Recently, France designated new marine protected areas. Among them, the largest marine 'Natura 2000' site so named 'Mers Celtiques - Talus du golfe de Gascogne', stretching over 62 320 km<sup>2</sup>, will offer protection for reef habitats and mobile marine species, the harbour porpoise and the bottlenose dolphin.



### At regional/ local level and company level

The project 'Clean Archipelago' is a multi-stakeholder public-private partnership led by the Tuscany Region in Italy, in cooperation with the Italian Ministry of Environment, Unicoop Firenze and other associations. It was launched in April 2018, in collaboration with 10 boats from a fishermen cooperative association. The project strives to clear the sea of litter. The partnership aims to offer economic incentives to fishermen to collect fished plastics and bring them to the collection points inside the harbours. Fished plastics will then be recycled.



### At civil society level

'Fish Forward', a project led by WWF Austria, gathers 17 partners that work together with consumers, corporate sector and governmental institutions to support socially fair and climate smart seafood production and consumption. This ensures responsible management of fisheries and traceability contributing to the sustainable use of oceans and marine resources.



## Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forest, combat desertification, and halt and reverse land degradation and halt biodiversity loss

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

Significant progress has been achieved in strengthening the policy frameworks and the knowledge base under EU nature legislation and the EU 2020 biodiversity strategy. After centuries of forest loss and degradations, Europe's forests have recovered to cover more than 40% of the EU territory today but their conservation status needs to improve. Natural resources set the ecological limits for our socio-economic systems ('planetary boundaries'). Recent reports by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services clearly demonstrate the persisting and devastating effects on human societies by both land degradation and biodiversity loss. Despite the progress made, the pressures on Europe's and global natural capital resulting from our production and consumption patterns remain high and are likely to keep growing. Overstepping planetary boundaries threatens to undermine or even reverse advances of living standards. At the international level, the EU uses its external policy agenda to further this agenda. It actively supports multilateral environmental agreements, encourages policy change in partner countries, promotes responsible business conduct and mainstreams environmental concerns into all actions.



#### KEY TRENDS

- The **number of sites protected under the 'Natura 2000' network** has increased as well as the conservation measures taken for these sites, which have now been reported for nearly 70% of them (2018). In 2017, the EU had protected over 790 000 km<sup>2</sup> of terrestrial habitats, covering 18.2% of EU land area. Member States with the highest percentage of protected areas include Slovenia (37.9%), Croatia (36.6%) and Bulgaria (34.5%).
- The EU State of Nature report on the **conservation status of species and habitats** of European interest reveals that many species and habitats are not in favourable conservation status. Across the EU only 23% of assessed species and 16% of assessed habitats were in 'favourable' status in 2012 while only 52% of bird species were in 'secure' status. More generally, the mid-term review of the biodiversity strategy to 2020 confirmed that biodiversity loss and the degradation of ecosystem services in the EU have continued.
- In 2015, **forests** covered 41.9% of the EU's total land area. The EU share of forests in proportion to total land area increased slightly by 2.6% between 2009 and 2015.
- The State of the Environment Report 2015 (European Environment Agency) highlighted the poor **state of soils** in Europe. Efforts to address and mitigate soil erosion by water have generated some positive results: when integrating the potential impact of the common agricultural policy's measures on soil erosion, the areas estimated to be at risk of severe soil erosion by water were reduced by 14% in the EU between 2000 and 2012. However, despite efforts to limit soil sealing, the conversion of land into artificial areas in the EU has been accelerating over the years, with growth from 2012 to 2015 being about 6% higher than from 2009 to 2012. In addition, 45% of the EU agriculture area has a soil poor in terms of organic contents (affecting soil fertility and biodiversity).



## GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), 19 EU Member States have a score above 70 out of 100 for SDG 15. 14 EU Member States are in the worldwide top 20.

## EUROPEAN UNION IN 2030



### EU UNDER CURRENT TRENDS/ ALL THINGS BEING EQUAL

Current global and European assessments show continuing trends towards biodiversity loss and land and ecosystem degradation with adverse consequences on ecosystem services (food, water, materials, energy, etc.), thereby threatening Europe's economic output and well-being. The implementation efforts regarding EU nature legislation need to be considerably increased to ensure that by 2030 the EU will have substantially improved the conservation status for species and habitats of EU interest protected under the birds and habitats rules. The speed of recovery of forest biodiversity also needs to be stepped up. The EU will have to play a key role at the 15th Conference of the Parties to the Convention on Biological Diversity in Beijing, China at the end of 2020, which is expected to adopt the new post 2020 global biodiversity framework to avert global biodiversity loss.



### OPPORTUNITIES/POSITIVE DRIVERS

Behavioural change, societal involvement and participatory politics, society's pressure for sustainable production chains (agroecology, organic farming), corporate social responsibility/responsible business conduct, crowdfunding and other forms of innovative financing, sustainable finance, public-private partnerships, green procurement, wider deployment of nature-based solutions, reformed taxation (e.g. taxation of resource use and pollution), education, artificial intelligence and new technologies, research and innovation, collaborative and circular low carbon economy, resilient societies, multilateralism, open and fair trade, sustainable tourism.



### RISKS/NEGATIVE DRIVERS

Environmental degradation and climate change, environmental scepticism and related policy reversals, short-termism, resistance to change in the food production system, low public and private investment, geopolitical instability and security threats, social inequalities.



## POLICY HIGHLIGHTS



### At EU level

The EU adopted an action plan for nature, people and the economy in 2017. The plan aims at accelerating EU law implementation and progress towards the EU 2020 goal of halting and reversing the loss of biodiversity and ecosystem services and to better take account of socio-economic objectives. It was complemented by an initiative to tackle the decline of pollinators in the EU and contribute to global conservation efforts.



### At Member State level

The recent French law ‘Recovery of Biodiversity, Nature and Landscapes’ established a new French Agency for Biodiversity. The biodiversity plan of 4 July 2018 stresses the importance of addressing together climate change and biodiversity challenges and includes new targets on no net land take, green urban areas, agroecology and soil protection, as well as actions related to payments for environmental services, pollinators and ecosystem restoration.



### At regional/ local level

In Germany, the State of Baden Württemberg increased funding for nature conservation from EUR 30 million to EUR 90 million in 10 years. The designation of national parks, and ecosystem restoration provides benefits for farmers and the economy, including start-ups producing packaging paper out of biodiverse grasslands, and for the sector of nature tourism.



### At company level

59 Austrian farmers, SPAR and WWF have built a strong alliance in the project ‘Healthy Soil for Healthy Food’. By guaranteeing the sale of the produced vegetables and paying a bonus of EUR 30 per stored ton CO<sup>2</sup> in soil to the farmers, SPAR stimulates sustainable soil management practices. Soil samples are used to monitor the project’s effectiveness.



### At civil society level

The Hellenic Ornithological Society, WWF Greece, the Bulgarian Society for the Protection of Birds and the Royal Society for the Protection of Birds joined forces to halt the decline of the Egyptian vulture population in the Balkans. They broadened their cross-border approach to other countries along the species’ flyway.



## Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

---

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

The EU has been one of the most successful peace projects in the world. Under the guidance of the European Treaties, first signed in 1957, the EU can look back on 60 years of peace, democracy and solidarity. In 2012, the EU was awarded the Nobel Peace Prize for advancing the causes of peace, reconciliation, democracy and human rights in Europe. Promoting and upholding the rule of law and the EU's fundamental values is a top priority for the EU, both internally and in its external relations. Effective justice systems play a crucial role in that respect. They ensure that citizens can fully enjoy their rights and businesses benefit from legal certainty and an investment-friendly environment in the single market. The EU is encouraging Member States to improve the independence, quality and efficiency of their justice systems, including through effective monitoring via the European Semester and the EU Justice Scoreboard. More generally, the Commission ensures the respect of the rule of law and of the other EU fundamental values with all the tools and instruments at its disposal. One of the challenges for European societies is corruption, which compromises trust in democratic institutions and weakens the accountability of political leadership. The Commission has a political mandate to monitor the fight against corruption and to implement a comprehensive EU anti-corruption policy. On the external side, the EU contributes to international peace and helps partner countries to address fragile situations, establish accountable and transparent institutions, foster participatory decision-making and ensure inclusive and credible election processes through its foreign and security policy. Human rights, gender equality, inclusion and non-discrimination are at the heart of the European Consensus on Development. Through its enlargement and neighbourhood policies it further contributes to peace and stability. In particular, the EU actively promotes and assists EU accession candidates on delivering on the rule of law, justice reform, the fight against corruption and organised crime, security, fundamental rights and democratic institutions.



#### KEY TRENDS

- People's **perception of crime, violence or vandalism** has improved; in 2016, 13.0% of the European population felt affected by these issues, 2.9 percentage points less than in 2007.
- The 2018 EU Justice Scoreboard shows that compared to 2010, the **efficiency of justice systems** in the Member States has improved or remained stable in almost all Member States with very few exceptions. However, civil and commercial proceedings still remain very long in several Member States.
- EU **general government expenditure on law courts** rose by more than 11% in 2007-2016, reaching slightly more than EUR 50 billion in 2016. This growth rate was slightly lower than GDP growth.
- In 2018, 56% of the EU inhabitants rated **the independence of the courts and judges** in their country as 'very good' or 'fairly good', which is an increase of four percentage points compared to 2016.
- According to Transparency International's **Corruption Perceptions Index**, EU Member States continue to rank among the least corrupt ones globally in 2017 and made up half of the global top 20 least corrupt countries.
- The situation of the **rule of law** in some Member States gives rise to concerns, which are addressed by a range of actions at EU level.



## GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), 19 EU Member States have a score above 70 out of 100 for SDG 16. Nine EU Member States are in the worldwide top 20.

## EUROPEAN UNION IN 2030



### EU UNDER CURRENT TRENDS/ ALL THINGS BEING EQUAL

The EU continues to experience a peaceful path. Through its enlargement and neighbourhood policies it further contributes to peace and stability. The EU actively promotes and assists also EU accession candidates on delivering on the rule of law, justice reform, the fight against corruption and organised crime, security, fundamental rights and democratic institutions. EU Foreign relations and development policy also contribute to peace elsewhere in the world. The EU furthermore continues to promote and uphold the rule of law among its own Member states. More needs to be done to improve the efficiency, quality and independence of the national justice systems in certain Member states. At the international level, there has been a trend towards authoritarian systems of governance in a number of countries. Promoting democracy, human rights and the rule of law will therefore remain a top priority for the EU, both internal and in its external relations. The EU will continue to work towards improving access to justice, fight fraud, crime and address evolving security threats by further enhancing cooperation and information exchange between police and law enforcement authorities of EU Member States and will promote international cooperation in this field.



### OPPORTUNITIES/POSITIVE DRIVERS

Cultural values in line with respect for fundamental rights, societal involvement and participatory politics, corporate social responsibility/responsible business conduct, education, digitalisation, artificial intelligence and new technologies, research and innovation, resilient infrastructure and societies, multilateralism, open and fair trade, development aid.



### RISKS/NEGATIVE DRIVERS

Geopolitical instability and security threats, climate change and environmental degradation, migration and forced displacement, return to economic protectionism worldwide, lack of international cooperation, challenges to the rule of law, populism, social inequalities.

## POLICY HIGHLIGHTS

### The EU at the international level



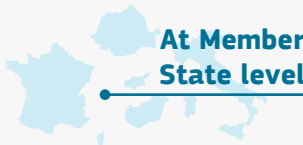
The 2017 EU rules on conflict minerals lay down supply chain due diligence obligations for EU importers of tin, tantalum, tungsten and gold, to ensure that they are sourced responsibly without directly or indirectly funding armed conflict or leading to human rights abuses in conflict-affected and high-risk areas.

### At EU level



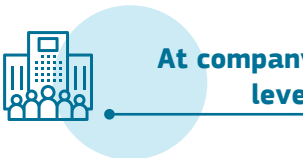
In 2017 the European Public Prosecutor's Office was established as an independent European prosecution office with the power to investigate, prosecute crimes affecting the financial interests of the EU. Following a build-up phase of three years, the European Public Prosecutor's Office is envisaged to take up its functions by the end of 2020. This will be a decisive improvement in the fight against fraud, corruption and other crimes against the EU budget.

### At Member State level



The 2017 French law on duty of vigilance creates a responsibility for companies to implement measures ensuring that their subsidiaries, suppliers and subcontractors around the world respect good social, environmental and ethical practices. The law's purpose is to raise awareness among companies of their role in preventing tragedies in France and abroad, and to ensure that victims receive compensation for any harm caused by a breach of companies' new duty to implement vigilance plans. It applies to companies with more than 5,000 employees headquartered in France, or companies with more than 10,000 employees headquartered abroad.

### At company level



In 2011, the Danish container shipping company Maersk Line was among the founders of the maritime anti-corruption network. This cross-sector partnership comprised of vessel-owning companies, cargo owners and service providers collaborates with key stakeholders, including governments and international organisations, to identify and mitigate the causes of corruption in the maritime industry.

### At civil society level



In Slovakia, the government promotes the involvement of civil society and non-governmental organisations in the creation, implementation and control of public policies in various fields. In the area of environmental policy, a 'Green Tripartite' is in place to channel the suggestions and comments of non-governmental actors in the process of policymaking and implementation.



## Strengthen the means of implementation and revitalize the global partnership for sustainable development

### EUROPEAN UNION TODAY



#### SNAPSHOT/QUALITATIVE OVERVIEW

The SDGs are a cross-cutting dimension in the implementation of the global strategy for the EU's foreign and security policy, which sets out a vision for a joined-up EU engagement in the world. The European Consensus on Development provides a framework for a common approach to development policy for the EU and the Member States based on the SDGs. Based on the principle of policy coherence for development, the EU aims to maximise coherence and build synergies between its different policies to support partner countries reaching SDGs. Today, the EU is the world's largest provider of official development assistance. Over the last decade, there has been a shift in the balance of roles, from donor-recipient towards a more equal partnership. The EU's enlargement policy and the revised European neighbourhood policy is focusing on political and economic fundamentals, including the rule of law, human rights, democracy, and sustainable economic growth and development, fully consistent with the United Nations 2030 Agenda for Sustainable Development. EU humanitarian engagement includes working in close partnership with a large number of humanitarian and development UN and civil society international organisations in the pursuit of human dignity. EU's values-based trade and investment policy, as set out in the trade for all strategy, maps across the SDGs, integrating implementation of sustainable development in all its dimensions. The EU remains a staunch supporter of a universal, rules-based, open, non-discriminatory and equitable multilateral trading system, underpinned by the World Trade Organisation (WTO), and is actively working to preserve and strengthen the WTO in all its functions. EU also works closely with other international organisations, such as the Office of the High Commissioner for Human Rights (OHCHR), the International Labour Organisation (ILO) and the Organisation for Economic Cooperation and Development (OECD) to promote human rights, corporate social responsibility/responsible business conduct as well as social and environmental objectives in its trade policy. The EU actively promotes the implementation of the United Nations 2030 Agenda Sustainable Development and the SDGs within the G20. The EU strengthens its own fiscal and economic governance through the European semester of policy coordination, thereby contribution to global macroeconomic stability. Through its better regulation agenda, the Commission contributes to enhanced policy coherence.



#### KEY TRENDS

- The EU is the **world's largest provider of Official Development Assistance**, providing EUR 75.7 billion in 2017. Additionally, with 0.5% in 2017, the overall EU Official Development Assistance/Gross National Income (GNI) ratio was significantly higher than for most other OECD donors such as Canada, Japan or the United States. Sweden, Denmark, Luxembourg and the United Kingdom have achieved the target to spend 0.7% of their GNI in official development assistance (2017).
- **Trade relations with developing countries** have intensified. Exports can create domestic jobs and allow developing countries to obtain foreign currency, which can be used for importing other goods needed. EU imports from developing countries have more than doubled from 2002 to 2017.
- **The share of EU imports from least developed countries** increased between 2002 and 2017. Nevertheless, overall, the almost 50 least developed countries still accounted for only 2.0% of all imports to the EU in 2017. Over the past few years the EU strengthened its role as the main export market for least developed countries: its share of global least developed countries' exports of goods increased from 20.5% in 2012 to nearly 25% in 2016, followed by China (21%) and the United States (8.2%).

- Assisting developing countries in boosting their **domestic resources** is crucial. The EU approach to budget support to partner countries has been adjusted to better promote the SDGs, to enhance the result focus of countries' policies and to provide capacity building, through better supporting improved governance and public financial management, including anti-corruption measures.
- The **shift of taxation** burden from labour to environment can boost jobs, reduce inequalities and limit the pressures on the environment. The share of environmental taxes in total EU tax revenues has remained almost unchanged (6.8% in 2002 and 6.3% in 2016).



## GLOBAL RANKING

According to the global SDG Index and dashboards report 2018 (Bertelsmann Stiftung and Sustainable Development Solutions Network), six EU Member States have a score above 70 out of 100 for SDG 17. Three EU Member States are in the worldwide top 20.

## EUROPEAN UNION IN 2030



### EU UNDER CURRENT TRENDS/ ALL THINGS BEING EQUAL

The challenges Europe and the world face will be more complex, inter-connected and more global than ever before. Global partnerships on poverty eradication and all other SDGs will be indispensable. At the international level, the EU will therefore continue to promote preservation and strengthening of the rules-based multilateral international order, with the United Nations at its core. This is a necessary condition to ensure the means of implementation. The EU will continue to use its value-based trade policy to promote sustainable development including corporate social responsibility/responsible business conduct, and will continue to strongly support the World Trade Organisation. For example, to improve results by dividing the work in the most efficient way, the EU and its Member States will use joint programming and joint implementation as effective means for implementing development cooperation partnerships. This means that they define together which donor should work in which sector. The EU institutions and Member States will moreover continue to increase their efforts to implement the Addis Ababa Action Agenda, which is the global framework for financing the United Nations 2030 Agenda for Sustainable Development, and which underscores the role of science, technology and innovation. 'Horizon Europe', the next research and innovation programme of the EU (2021-2027), underscores the central role of international scientific collaboration for achieving the SDGs. The EU is well positioned with regard to most financing for development commitments by 2030. Within the EU, partnerships for sustainable development will be promoted as well.



### OPPORTUNITIES/POSITIVE DRIVERS

Societal involvement & participatory politics, corporate social responsibility/responsible business conduct, better regulation, education, digitalisation, artificial intelligence, new technologies, research and innovation, effective technology transfer and knowledge sharing, earth observation, education, volunteering, crowdfunding & other forms of innovative financing, sustainable finance, public-private partnerships, multilateralism, open and fair trade, development aid.



### RISKS/NEGATIVE DRIVERS

Geopolitical instability and security threats, economic protectionism, lack of international cooperation, undermining of existing multilateral institutions.



## POLICY HIGHLIGHTS



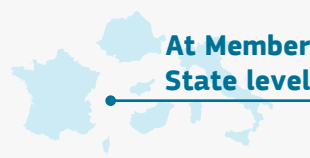
### The EU at the international level

The EU is engaged together with other G20 partners and International Organisations in the G20 Compact with Africa, aiming at boosting investments in the participating African countries. The EU will also support triangular cooperation - which are Southern-driven partnerships between two or more developing countries, supported by a developed country or multilateral organisation, as an important tool to reach out to developing countries and other stakeholders.



### At EU level

The European external investment plan and its European Fund for Sustainable Development put forward the EU budget as a guarantee to unlock and boost investments in Africa and its neighbourhood. Their focus are fragile, conflict and violence-affected countries, landlocked and least developed countries that are in greatest need. It aims to unlock private investment and mobilise additional EUR 44 billion of investments by 2020.



### At Member State level

'The Finland We Want by 2050 – Society's Commitment to Sustainable Development' is an innovative way to engage the whole of society in implementing the SDGs. In order to reach the eight objectives towards its vision for 2050, operational commitments are being established with administrative sectors and other societal actors, such as companies, municipalities, organisations, educational institutions and local operators. The commitments have to be new and measurable.



### At regional/local level

Latvian local governments and nongovernmental organisations are actively involved in development cooperation projects with Eastern Partnership and Central Asian countries - Moldova, Georgia, Ukraine, Kyrgyzstan and others. The Latvian Association of Local and Regional Governments has provided long-term expert support for partner country budget planning, government negotiation, citizen involvement in decision-making, and business promotion.



### At company level

Unilever, a transnational consumer goods company, has been a strong advocate for the SDGs since the adoption of the United Nations 2030 Agenda for Sustainable Development, with the CEO of the company serving on the United Nations Secretary-General's Advocacy Group for the Global Goals. Unilever co-founded the Business & Sustainable Development Commission in 2016, culminating in the launch of a seminal report in 2017 'Better Business Better World' on the business case for action on the SDGs.



### At civil society level

The Italian Alliance for Sustainable Development (ASviS) aims to raise the awareness and mobilise the Italian society, economic stakeholders and institutions about the importance of the United Nations 2030 Agenda for Sustainable Development. It brings together over 180 of the most important civil society institutions and networks, along with universities and companies.





---

# Annex III

SUMMARY OF THE CONTRIBUTION OF THE SDG MULTI-STAKEHOLDER PLATFORM TO THE REFLECTION PAPER “TOWARDS A SUSTAINABLE EUROPE BY 2030”





# Europe moving towards a sustainable future

SUMMARY OF THE CONTRIBUTION OF THE SDG MULTI-STAKEHOLDER PLATFORM TO THE REFLECTION PAPER “TOWARDS A SUSTAINABLE EUROPE BY 2030”



---

**Platform members:** Birdlife; BusinessEurope; Council of European Municipalities and Regions (CEMR); COFACE Families Europe; European Committee of the Regions; CONCORD Europe; COPA-COGECA; CSR Europe; EUROCITIES; European Trade Union Confederation (ETUC) European Economic and Social Committee (EESC); ENEL; European Public Health Alliance (EPHA); ESADE Business School; European Trade Union Committee for Education (ETUCE); European University Association (EUA); European Environmental Bureau (EEB); European Youth Forum (YFJ); International Integrated Reporting Council (IIRC); FoodDrinkEurope; Fair Trade Advocacy Office (FTAO); Social platform; SDG Watch Europe; Transparency International; Unilever; World Wide Fund for nature (WWF); Ms Vandinika Shukla; Mr Christian Thimann; Mr Wiebe Draijer; Mr Janez Potocnik

**Platform observers:** European Environment and Sustainable Development Advisory Councils (EEAC); European Investment Bank (EIB); European Sustainable Development Network (ESDN); International Union for Conservation of Nature (IUCN); Organisation for economic cooperation and development (OECD); United Nations (UN); World Bank (WB)



---

## Letter by the members of the platform

Brussels, 11 October 2018

*To the present and future leaders of the European Commission and other EU Institutions,*

*To all players having a strong stake in people's sustainable living, and in the environmental, social, economic and governance developments of Europe,*

*To the people and voters in Europe,*

*Through this new Platform and with our Report, we want to send a vibrant signal to the leaders, actors and people within and outside the European Union: time has come – more than ever – to develop and implement a visionary and ambitious Strategy for a Sustainable Europe 2030.*

*It is important to note that none of the members of the Platform is expected to endorse every recommendation or view entailed in this Report and each has the right to take a different view on the issues covered.*

*However, within a short period of time, we have strived to build upon and respect our diverse backgrounds and opinions, with the aim of pulling in the same direction for a better, sustainable Europe.*

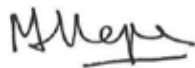
*Through strong common values, structural policy improvements and innovative action proposals, we ground our recommendations in the experience and efforts of thousands of men and women in the public sector, civil society and private sector. They have a common ambition to transform the Sustainable Development Goals into practical solutions for the well-being of citizens and the protection of our environment for present and future generations.*

*Our report highlights different perspectives and addresses some challenging trade-offs between the environmental, economic, social and governance dimensions of sustainable development, some of which we have been able to negotiate, others which need more clarification and consensus-building.*

*We are confident that the trust and engagement of people and leaders in a continuous transformation of Europe will bear fruit. It requires a fair and equitable culture of dialogue and partnership on all levels, in which each partner can become, and trust the others to be, co-designers of a Europe that cares and works for all. It also involves an overarching strategy for a Sustainable Europe to guide all European policies and programmes that will accelerate our individual and collective endowments in order to yield sustainable security, prosperity and dignity for all.*

*We are proud of the work achieved so far, while at the same time we feel the urgency to do much more. So, might the sustainability dialogue and collaboration within this Platform - both between the stakeholders and with the EU institutions – rapidly improve and grow.*

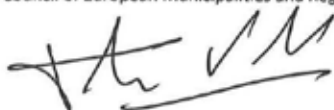
**MARTIN HARPER**  
Birdlife



**MARKUS BEYRER**  
BusinessEurope



**FREDERIC VALLIER**  
Council of European Municipalities and Regions



**ANNEMIE DRIESKENS**  
COFACE Families Europe



**ARNOLDAS ABRAMAVICIUS**  
European Committee of the Regions



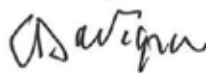
**JOHANNES TRIMMEL**  
CONCORD Europe



**LIISA PIETOLA**  
COPA-COGECA



**ETIENNE DAVIGNON**  
CSR Europe



**SILVIA GANZERLA**  
EUROCITIES



**LIINA CARR**  
European Trade Union Confederation



**BRENDA KING**  
European Economic and Social Committee



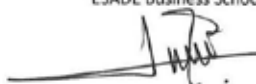
**FRANCESCO STARACE**  
ENEL



**SASCHA MARSCHANG**  
European Public Health Alliance



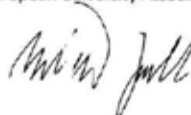
**EVA JANE-LLOPIS**  
ESADE Business School



**SUSAN FLOCKEN**  
European Trade Union Committee for Education



**MICHAEL GAEBEL**  
European University Association



**JEREMY WATES**  
European Environmental Bureau



**DEJAN BOJANIC**  
European Youth Forum



**RICHART HOWITT**  
International Integrated Reporting Council



**JANA HAINSWORTH**  
Social platform



**LEIDA RIJNHOUT**  
SDG Watch Europe



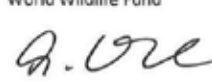
**CARL DOLAN**  
Transparency International



**PAUL POLMAN**  
Unilever



**DR. ANDREA KOHL**  
World Wildlife Fund



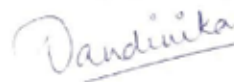
**MELLA FREWEN**  
FoodDrinkEurope



**SERGI CORBALAN**  
Fair Trade Advocacy Office



**VANDINIKA SHUKLA**  
Member acting in personal capacity



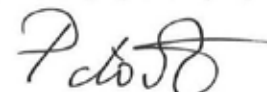
**CHRISTIAN THIMANN**  
Member acting in personal capacity



**WIEBE DRAIJER**  
Member acting in personal capacity



**JANEZ POTOČNIK**  
Member acting in personal capacity



---

## Executive Summary

### EUROPE MOVING TOWARDS A SUSTAINABLE FUTURE

*Summary of the contribution of the SDG Multi-Stakeholder Platform to the Reflection Paper “Towards a sustainable Europe by 2030” October 2018*

The Multi-Stakeholder Platform on the implementation of the Sustainable Development Goals in the European Union – the “EU SDG multi-stakeholder platform” – was established in May 2017 to support and advise the European Commission and all stakeholders involved on the implementation of the SDGs at EU level.

Through strong common values we, as representatives of the public sector, civil society and private sector, worked diligently to make well considered recommendations on how to transform the Sustainable Development Goals into practical solutions for the wellbeing of our present and future generations in the EU and beyond. Our recommendations aim to inspire and guide the Commission’s Reflection paper “Towards a Sustainable Europe by 2030”.

Given the ambitious agenda and the universal and indivisible nature of the Sustainable Development Goals, there is no single recipe for which to advocate. Achieving the Goals requires a comprehensive review, the identification of areas where changes are needed, and the development of coherent policies which produce lasting social, economic, governance and environmental co-benefits, recognising and acting on interlinkages between all goals and targets. Our recommendations provide an ambitious and consensus-based contribution to this goal.

As priority actions, we recommend that the EU develops and implements an overarching visionary and transformative Sustainable Europe 2030 strategy, guiding all EU policies and programmes. To be effective, such a strategy should include both interim and long-term targets and lay out Europe’s vision for a sustainable Europe beyond the 2030 Agenda.

When implementing the 2030 Agenda, the European Commission and all other stakeholders need to respect key principles, to fulfil existing commitments under international agreements, to commit to a transformation of our social and economic model, to prioritise and fast-track actions for the poorest and most marginalised in society (“leave no one behind”), to recognise planetary boundaries, to respect human rights and the rule of law, and ensure policy coherence for sustainable development.

We also make some cross-cutting recommendations. We advise the EU to reinvent its governance system to ensure a coherent approach to sustainable development. The Commission President, assisted by a dedicated project team, should be in charge of the 2030 Agenda, ensure effective coordination and report on its implementation during the annual State of the European Union speech. We also will need action of regions, cities, citizens, communities, businesses and civil society in its diversity to implement the SDGs and the Paris Agreement. The EU should advocate a territorial approach for the delivery of the SDGs and allow a two-way dialogue where European and national strategies associate regional and local authorities as well as civil society and professional organisations in a multi-level and multi-stakeholders governance approach. We also offer to assess the merits of this Platform - both its composition and mission - and to discuss how in the future it can best contribute to our proposal for an inclusive, participatory and transparent Sustainable Europe 2030 Strategy. Finally, additional efforts should be deployed to ensure policy coherence for sustainable development, meaning that all EU policies should contribute to sustainable development within or outside Europe.

We also have some specific recommendations on how to strengthen the EU’s existing toolbox. The Better Regulation agenda could become more powerful by fully integrating sustainable development objectives and principles in the policy-making process. EU policy-makers should better use and further improve the Impact Assessment Guidelines to mainstream sustainable development. A Sustainable Europe coordination cycle should be set up, with EU Sustainable Development Action Plans, Member State and European Commission Sustainable Development Reports and recommendations. The European Semester process should be guided by the Sustainable

Europe 2030 Strategy and include a sustainability check. EU public finances, including the Multi-annual Financial Framework, should be fully sustainable and the definition of environmental, social and governance risks embedded within financial regulations. Sustainable fiscal reforms should be carried out at Member State level, corporate tax avoidance and fiscal dumping addressed and the Addis Ababa Action Agenda fully implemented. To inform future decision makers, the EU should further develop an integrated and participatory monitoring, accountability and review framework, including a comprehensive EU SDG indicator set and qualitative analysis.

We also make sectoral specific recommendations. Sustainability should be reflected in a coherent way across all EU policies and initiatives. For the scope of this paper, however, we identified five EU policy areas with a vital role in achieving the SDGs:

**(1) Sustainable Consumption and Production** should be further promoted, incentivised and regulated while paying particular attention to global supply chains. We also need legal, policy and financing measures that should drive this transition. The EU's footprint needs to be reduced, a Resource Management Convention introduced and consumption based indicators developed. Sustainability should be part of the European Industry Strategy 2030.

**(2) The EU should invest in research and innovation, people and human talents, employability and social inclusion.** The European Pillar of Social Rights should be fully implemented. The social and solidarity economy should be promoted; investment in health and well-being scaled up and sustainability should become an interdisciplinary science. Quality education should be guaranteed, support to children and young people prioritised and a regulatory framework to ensure safe pathways for asylum seekers and migrants introduced, while strengthening integration and inclusion policy.

**(3) Climate and energy policy.** The EU should align its climate and energy targets with the agreed objective of limiting global temperature increase to 1.5 degrees compared to pre-industrial levels, while increasing resilience. Fossil fuels should be progressively phased out; investments in energy efficiency and clean energy increase; the uptake of nature based solutions promoted. Traffic congestion should decrease, sustainable infrastructure and comprehensive mobility plans should be encouraged. The EU should also support developing countries in adaptation and resilience to climate change.

**(4) Food, farming and land-use including Common Agricultural Policy.** The EU should ensure that all EU investment into agriculture is aligned with the EU's Treaty to ensure a high level of human health protection, food security, as well as the protection and improvement of the quality of the environment. Public income support should support food production, the provision of public goods and ecosystem services, while also ensuring a fair standard of living for the agricultural community, and enabling the transition to sustainable agriculture and food systems. Investments and research into environmentally friendly and economically viable practices should be prioritised and global value chains made sustainable.

**(5) Cohesion policy** is a major EU investment tool to support the implementation of the Sustainable Development Goals. It should strengthen the localisation of the Goals by directly supporting subnational governments, support the Urban Agenda of the EU, further promote social objectives and better encourage investments towards greener, more sustainable infrastructure, including in rural areas.

To address the urgency of action, we strongly encourage the Commission to follow up on our recommendations in a swift and timely manner so that Europe can fully and rapidly embrace the opportunity that sustainable development represents to our societies. The implementation of our requirements will require an inclusive and participatory approach and we fully commit our support. Our ultimate objective is to ensure that sustainable development becomes a permanent feature of European policy-making.

The full contribution of the SDG Multi-Stakeholder Platform to the Reflection Paper "Towards a sustainable Europe by 2030" is available at [https://ec.europa.eu/info/sites/info/files/sdg\\_multi-stakeholder\\_platform\\_input\\_to\\_reflection\\_paper\\_sustainable\\_europe2.pdf](https://ec.europa.eu/info/sites/info/files/sdg_multi-stakeholder_platform_input_to_reflection_paper_sustainable_europe2.pdf)

A series of 25 horizontal dashed lines spanning the width of the page, providing a template for handwriting practice.

A series of 25 horizontal dashed lines spanning the width of the page, providing a template for handwriting practice.







© European Union, 2019

Reuse is authorised provided the source is acknowledged.

The reuse policy of European Commission documents is regulated by Decision 2011/833/EU (OJ L 330, 14.12.2011, p. 39).

