



EU VR and Lessons Learnt

Output Efficiency and Performance management

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Main messages

1. EU VR disappointing (what went wrong)
2. Plan versus Practical experience: (why should we care about bad EU VR? What does it say about SDG implementation?)
3. EU VR as a meta tool for national progress + positive developments (traditional output orientation)



Context messages + introduction:

1. What does the EEAC do?
2. Peer-learning platform results June 2022
3. Other VNRs: Belgium + Germany
(criticism on spillover, ODA)



Last year at the peer-learning session on Voluntary Reviews of the ESDN and EEAC network:

It was concluded that there are some lessons learned that can be universally applicable:

- Developing work plans **no?**
- Early consultations **debatable**
- Early drafting arrangements, **no**
- Timely preparations of presentations **yes**
- Add a statistical annex (so far ca. 50% of VNRs) **The EU added a statistical and analytical annex**

COMMISSION STAFF WORKING DOCUMENT

Statistical and analytical Annex

Accompanying the document

REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

EU Voluntary Review on progress in the implementation of the 2030 Agenda for Sustainable Development

{COM(2023) 700 final} - {SWD(2023) 700 final} - {SWD(2023) 702 final} -
{SWD(2023) 703 final}

Analytical Annex



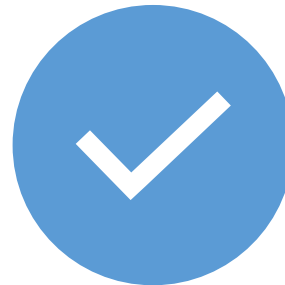
SDG Indicators – annual
monitoring report



Mapping EU Policies with
the Agenda 2030 and the
SDG Targets



Synergies and Trade offs



ODA and SDGs

Figure 1: Goals and UN targets of the SDG framework addressed by EU policy documents, 2019–2022



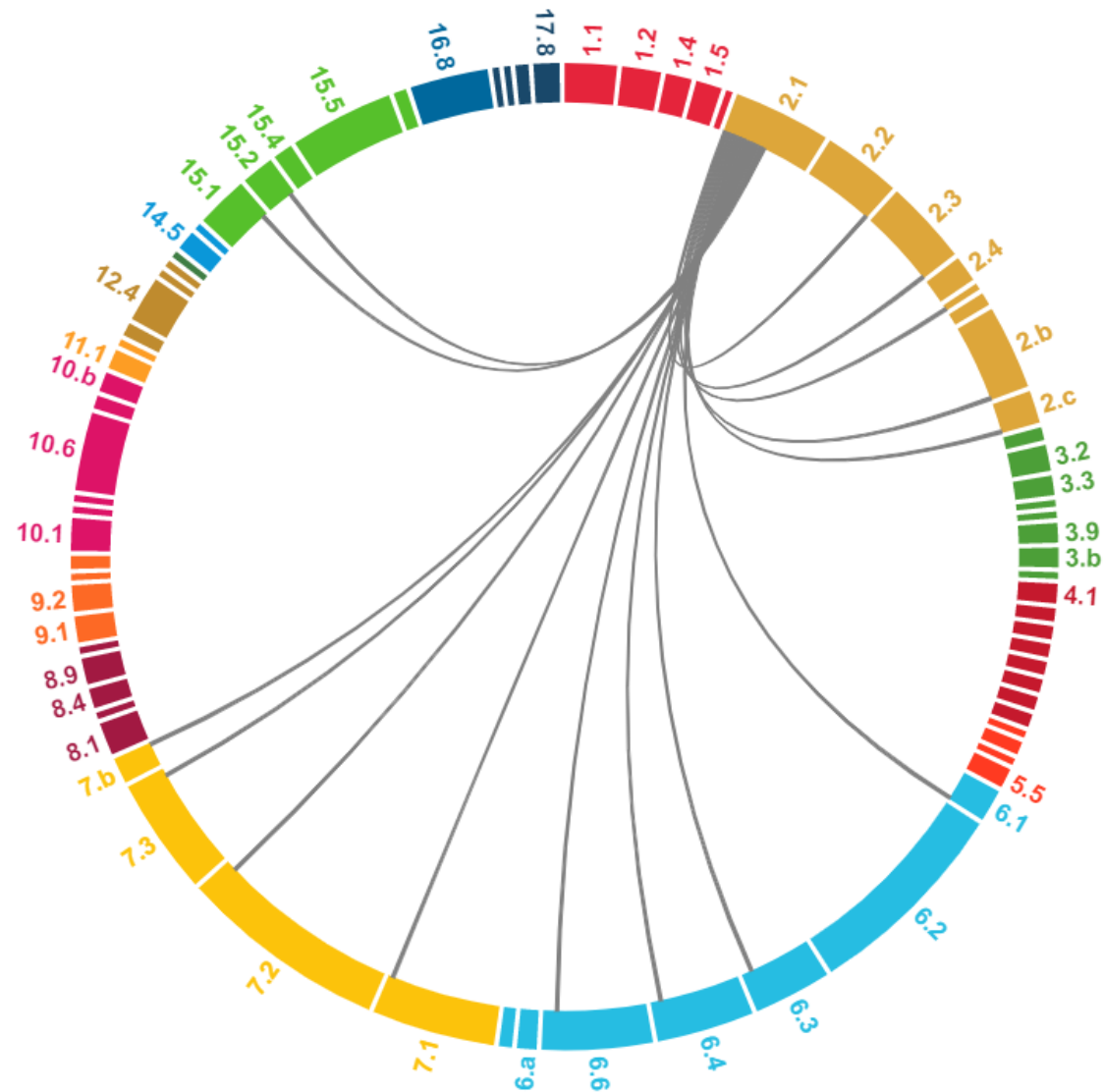
Note: The size of the bubbles depends on the number of EU policy documents addressing a specific UN target.

Source: JRC information, based on EUR-Lex data (EU policy documents available for the period 01/12/2019 to 15/01/2022)

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- The Commission's Joint Research Centre (JRC) carried out a study to investigate the way in which SDGs are mainstreamed into EU policies. It analysed how the current Commission's policy initiatives (more than 6 000 documents between 2019 and 2022) are semantically linked to the 2030 Agenda and to the content of the SDG targets (JRC, 2023).
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Trade offs

a JRC project



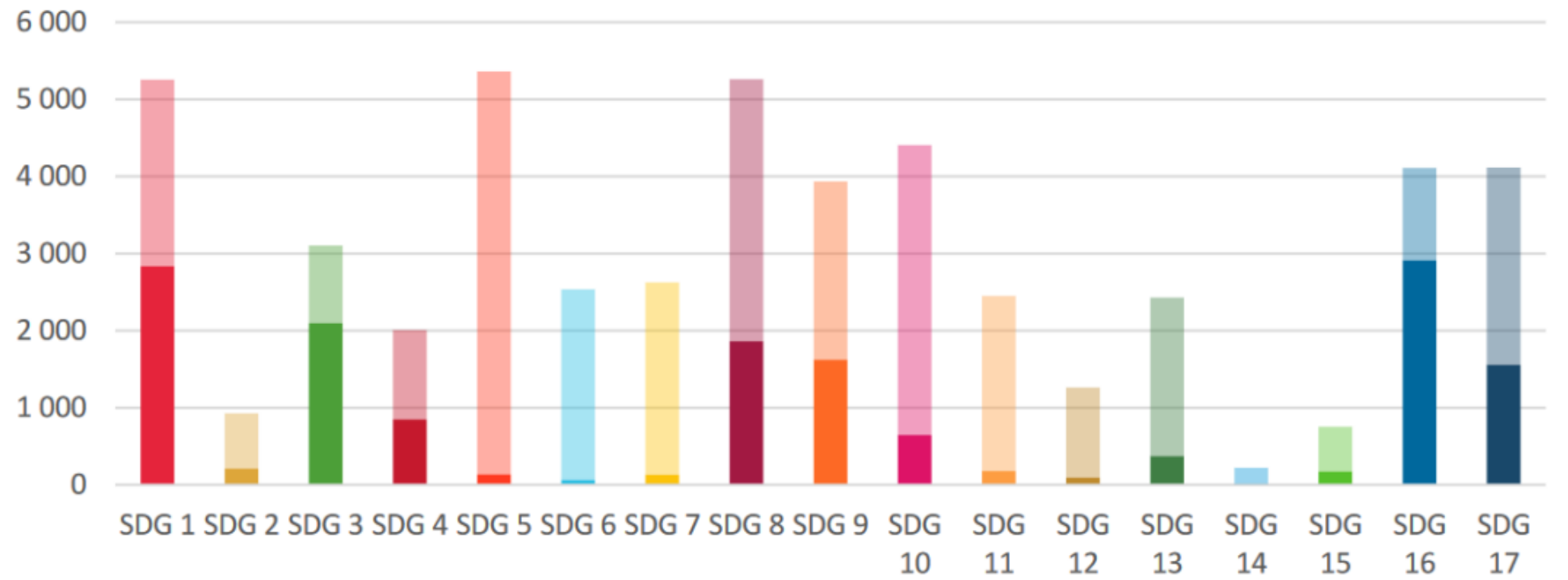
The JRC SDG Interlinkages Tool on the KnowSDGs Platform is based on an exhaustive review and in-depth analysis of the interlinkages described in the literature published from 2015, the year of adoption of the 2030 Agenda, to August 2022.

The database of the JRC SDG Interlinkages Tool contains more than **18 000 interlinkages with information on the type of interlinkages, the direction of impact, its description, and the geographical and temporal scales among other variables.**

Budgeting and investments

- Do no significant harm principle
- Budget requirement 40% climate and other rules

Figure 2: Synthesis of the volume of ODA commitments for each SDG (as main SDG and significant SDG) in 2021 (commitments)



Question to the table

Can a more detailed report on interlinkages and trade offs be a way to improve output orientation?

In what way will it differ from what mainstreaming and main action plan making can?

How does this improve horizontal coordination?

The benefit of the first VR?

- Harsh criticism on Belgian VR



Advies over het ontwerp van de Voluntary National Review 2023

Samenvatting van het advies

Ons land legt in juli 2023 voor de tweede keer een VNR voor aan het HLPF. De IMCDO vroeg aan een aantal adviesraden om een advies te maken over de ontwerptekst van die VNR. De volgende raden keurden het advies goed: FRDO, Minaraad, SERV, CESE Wallonië, Brupartners en de Wirtschafts- und Sozialrat.

In dit gezamenlijke advies zijn de raden van oordeel dat het maken van een VNR een gelegenheid is om een grondige evaluatie te maken van de implementatie van de SDGs. Terwijl een eerste VNR meestal een 'nulmeting' is, zou een tweede VNR veel meer een evaluatie moeten zijn waarin met een kritische blik naar het eigen functioneren wordt gekeken. Die evaluatie zou dan moeten leiden tot betere beleidsantwoorden op de grote maatschappelijke uitdagingen.

Dat is in de voorgelegde ontwerptekst niet het geval. Een zelfkritische evaluatie is onvoldoende of niet te vinden in de tekst. De verschillende regeringen van ons land zouden de VNR-oefening meer moeten aangrijpen om de politieke wil voor concrete samenwerking voor duurzame ontwikkeling te versterken, met respect voor ieders bevoegdheden.

De voorbereiding van de VNR door de verschillende overheden is niet optimaal verlopen, onder meer door het niet volwaardig functioneren van de IMCDO tussen 2017 en 2022. De tekst waarover de adviesraden

SDG Budgeting and Performance Management

EEAC experiences

Background

(1) EEAC WGSD project 2020-2021

'Fiscal instruments to enhance sustainable development'

Collaborative work incl. FRDO-CFDD (Belgium), Kestavyyspaneeli (Finland), NESC (Ireland), NFFT (Hungary), and RNE (Germany)

(2) Common knowledge on reviews and monitoring of SD strategies in national and EU level

(1) Budgeting

We always have three options, minimum:

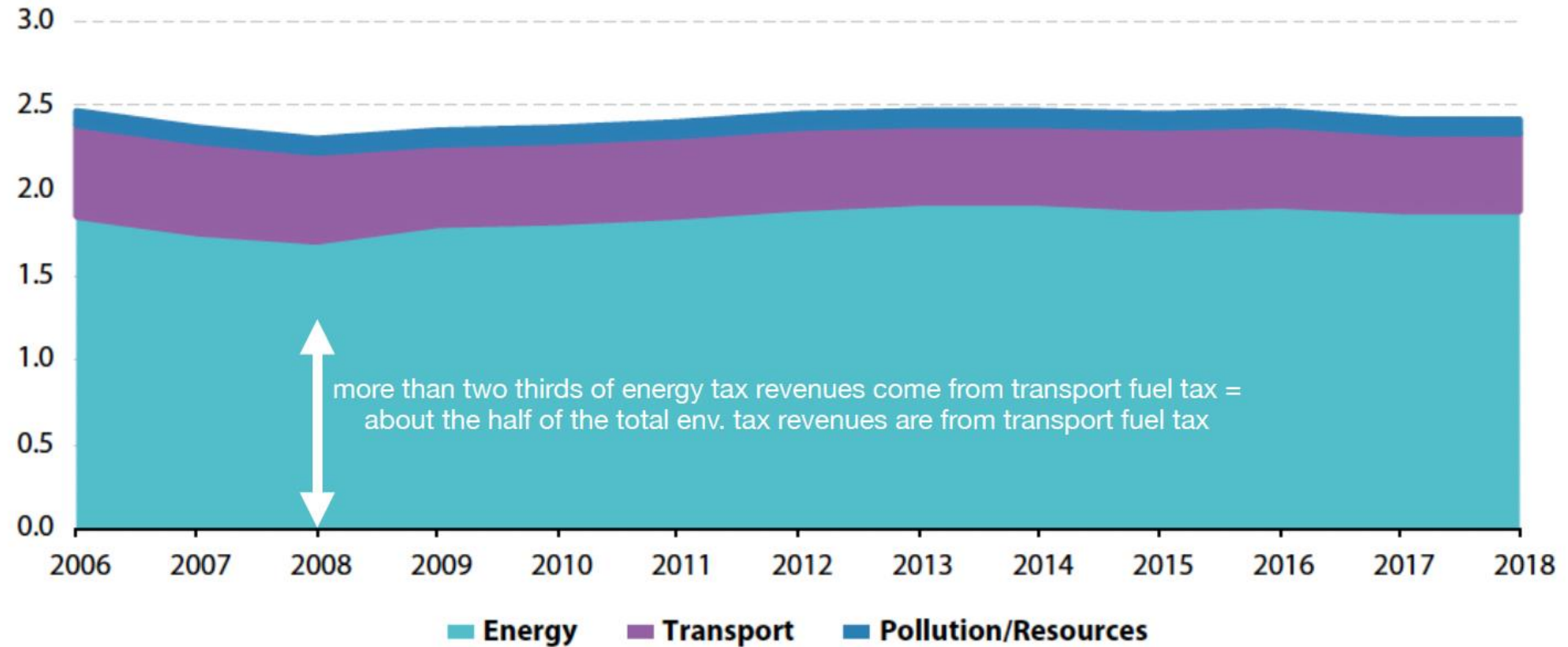
- ☐ spending for SD
- ☐ do not spend on unsustainable projects
- ☐ collecting income flow on environmental taxes/fees

We are spending more on unsustainable issues than sustainable ones

We do not use the opportunities on the income side of our budgets

Graph 20: Environmental tax revenues EU-27, 2006-2018

(% of GDP)



Source: European Commission, DG Taxation and Customs Union, based on Eurostat data.

SD as an economic activity

$$Y = C + G + I$$

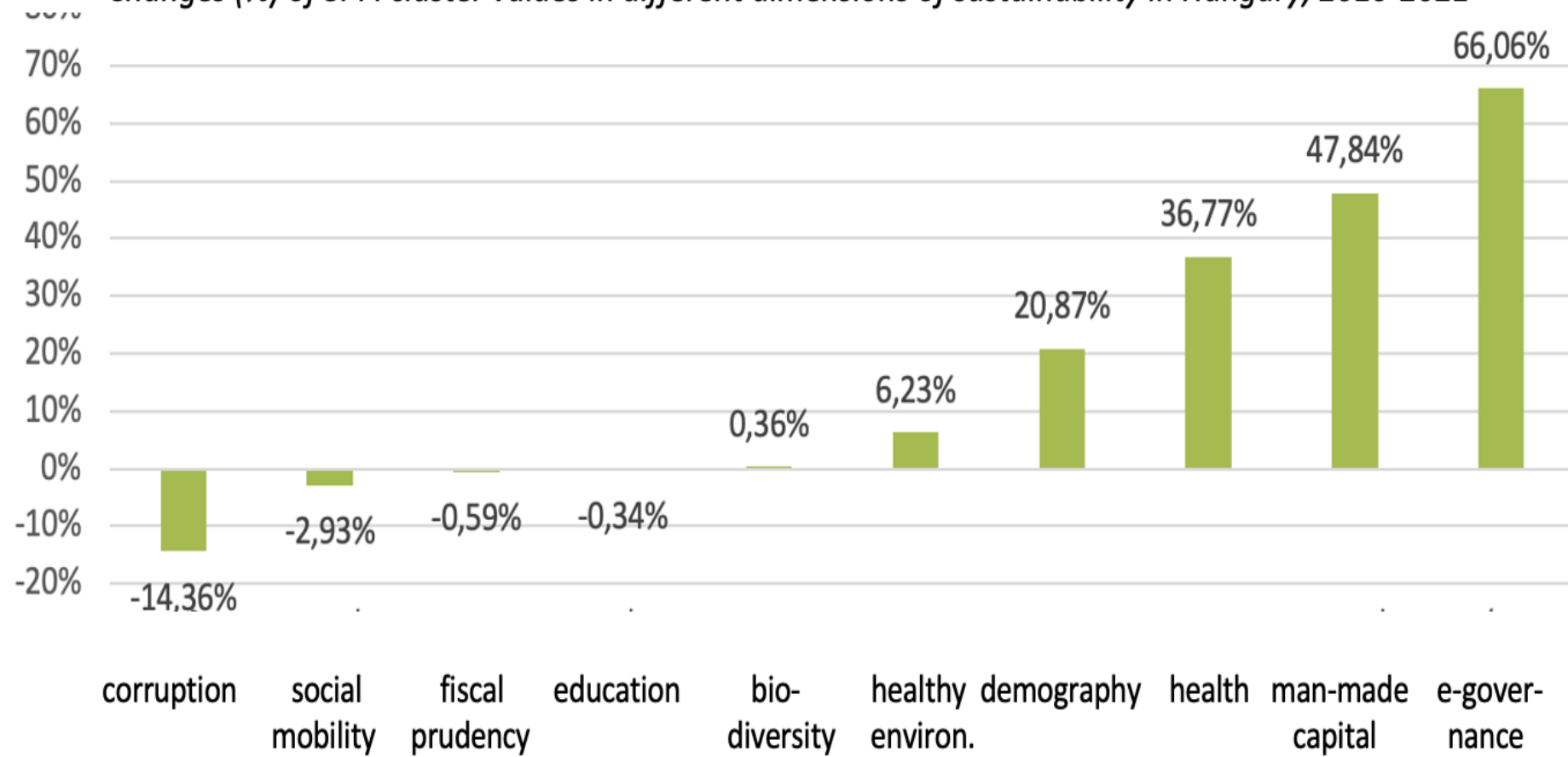
$$Y = f(K_m, K_h, K_s, K_n)$$

$$K_i = f(I_i)$$

SD = how we spend on long-term investments

- C+G/I ratio
- ratio between I_m, I_h, I_s, I_n

Changes (%) of SPFI cluster values in different dimensions of sustainability in Hungary, 2010-2021



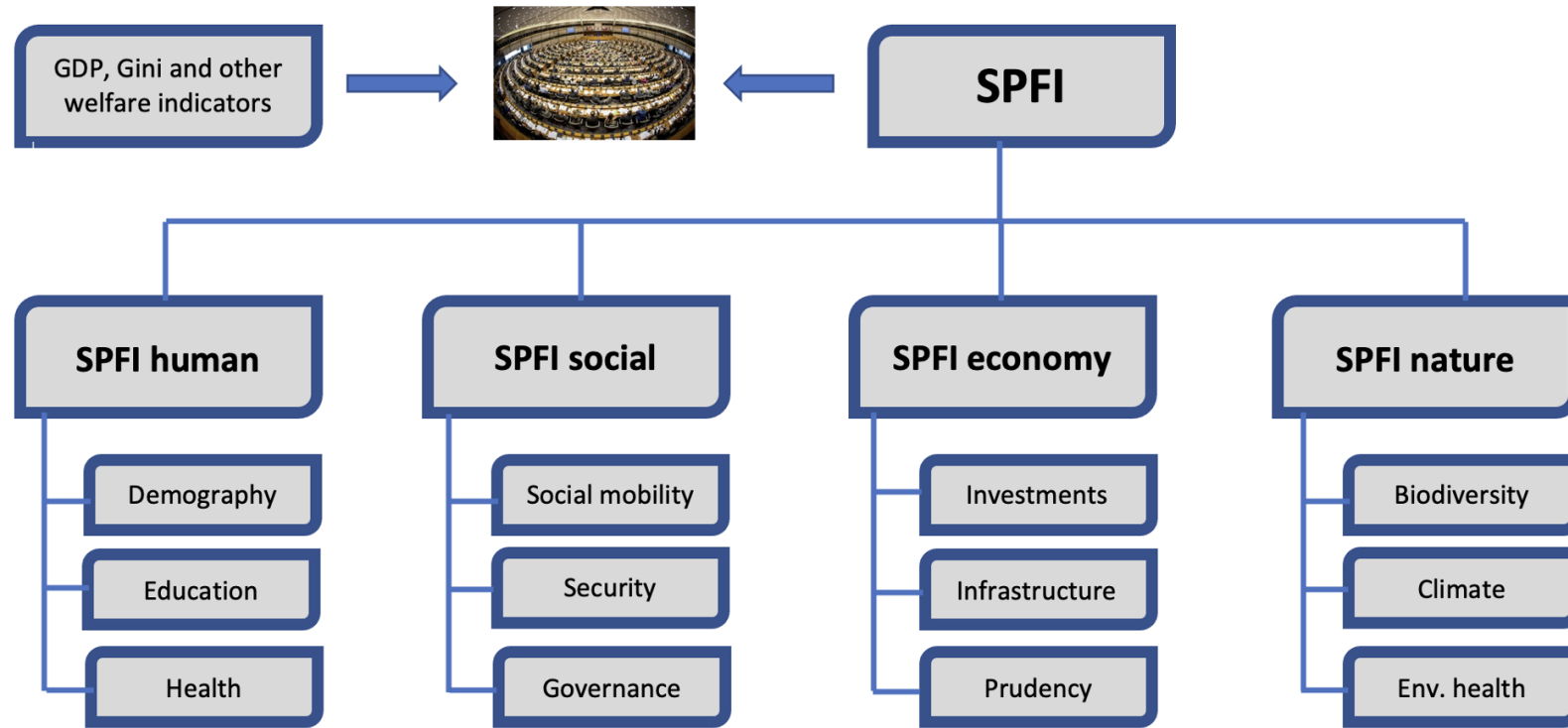
(2) Monitoring

EEAC member councils have a long history of experience

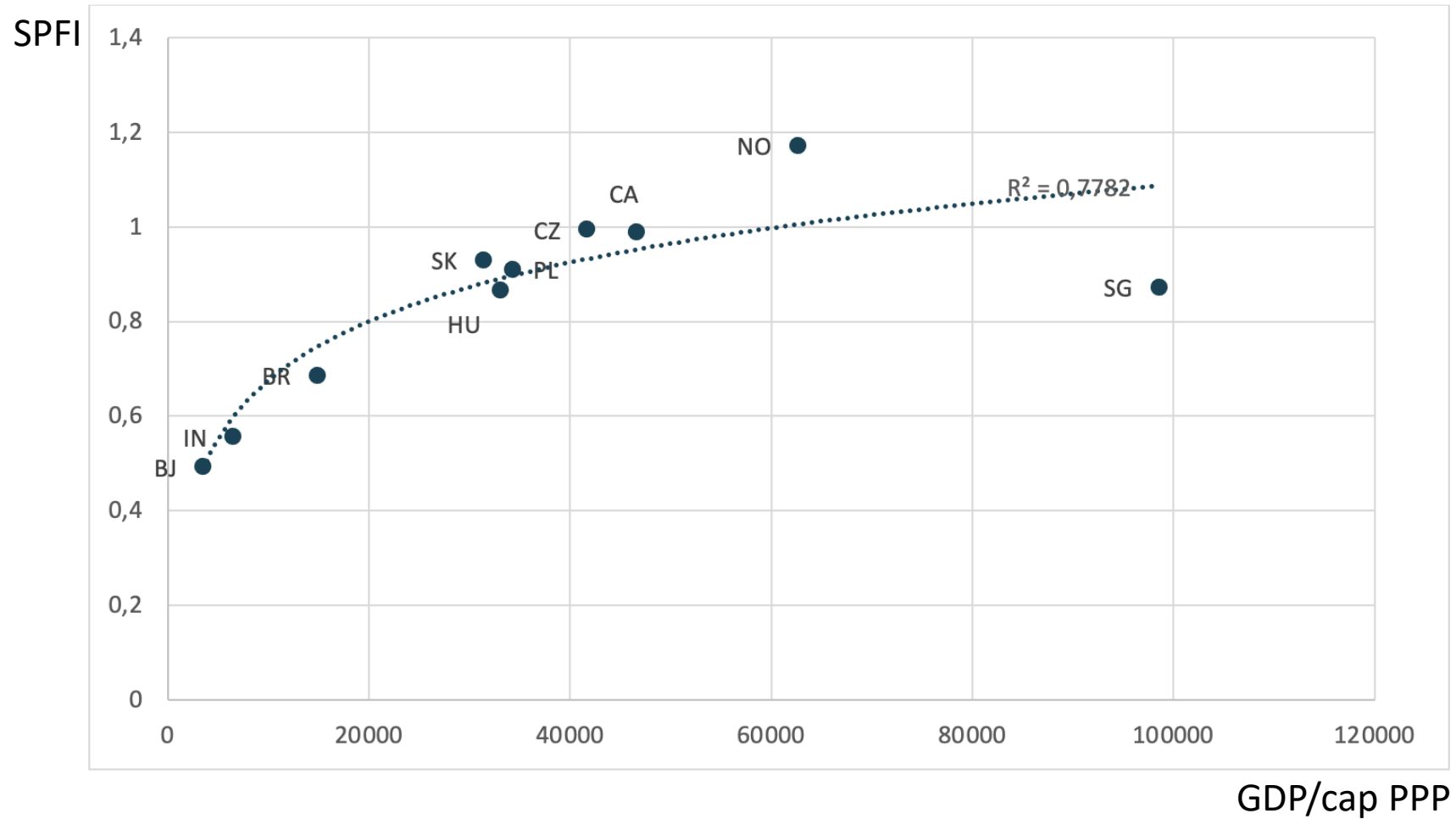
- indicators (quantitative only)
- progress reports (quantitative and qualitative)
- peer reviews (mainly qualitative)
- VNRs (UN-SDG oriented)

Two new research in Hungary

New composit indicator: SPFI



GDP/cap versus SPFI (2021)



Two new research in Hungary

Sustainable GDP indicator

- Outputs are in monetary terms
- Conducted by the Hungarian National Bank
- Ongoing, publication in September 2023
- Spoiler: sGDP is declining since 2014
(while we have a GDP growth)

Summary

- More fundamental connections and integration are needed between budgeting (more generally: economic policies) and sustainable development
- There are rooms for improvement of indicators in order to better outputs and performance