A sustainable path to the future

The 2030 Implementation Initiative
The 2030 Agenda for Sustainable Development is a pact on the world’s future, which aims to transform our world. Delivering on the 2030 Agenda, with its 17 Sustainable Development Goals and principles, is a major challenge for most countries.

How can countries design an efficient sustainability structure? How can sustainable development be financed and achievements in implementing the SDGs be measured?

This is exactly where the German Federal Ministry for Economic Cooperation and Development (BMZ) comes in with its 2030 Implementation Initiative. It supports partner countries at three levels: 1) Policy: Adapting structures and strategies; 2) Financing: increasing revenue and mobilising private investment; and 3) Monitoring and review: Measuring, analysing and reporting.

From Myanmar to Mexico, Brazil to Benin and Georgia to Ghana, currently the 2030 Implementation Initiative is funding 29 measures in 26 partner countries and three regional organizations with a volume of approximately 58 million euros. The approaches to achieve the necessary sustainable transformation are as diverse, as the countries taking part in the initiative.

At the policy level, the 2030 Implementation Initiative supports countries such as Mexico in adapting and formulating their sustainability strategy. With German support, Georgia is introducing legislative impact assessments, which are an important tool for bringing effective laws to implementation. At the level of financing, Germany is taking steps to support developing countries in increasing their incomes. With regard to expenditure control, the 2030 Implementation Initiative strengthens for instance the African Organization of Supreme Audit Institutions (AFROSAI). The purpose of the level monitoring and review is, to check the effectiveness of measures taken. For this reason, the 2030 Implementation Initiative supports Myanmar, Vietnam and Ghana in monitoring, data analysis and evidence-based policymaking.

So far, the results show how important this support is. It is fundamental that each country can go its individual way in implementing the 2030 Agenda successfully. The 2030 Implementation Initiative contributes to this.
This is how former United Nations Secretary-General Ban Ki-Moon outlined the unique opportunity available to humankind, as well as the enormous cliff edge in front of it.

By adopting the 2030 Agenda with its 17 Sustainable Development Goals (SDGs) in September 2015, the international community opened the door to many opportunities; nonetheless, it has by no means eliminated the risk of going over the cliff edge. After all, the resolutions are only on paper. Transitioning from an exploitation-based to a sustainable lifestyle poses a challenge to industrialised nations, developing countries, the research sector, the private sector and civil society alike.

Through the 2030 Agenda for Sustainable Development, the international community intends to work together to resolve global challenges. As such, the 2030 Agenda calls for nothing less than the transformation of our world. First and foremost, it seeks to end extreme poverty and hunger by 2030, conserve natural resources and balance economic success with social and environmental justice. However, when it comes to the transformation towards greater sustainability, current efforts are not sufficient. This view is also shared by the BMZ’s Commissioner for the 2030 Agenda for Sustainable Development, Dr. Ingolf Dietrich: “The necessary transformation towards sustainable development stagnates, we are falling short of reaching the goals. We need to step up our efforts to reach the SDGs by 2030.” For example, for the first time in a decade, the number of chronically undernourished people in the world has risen, from 777 million in 2015 to 815 million in 2016.¹

If people are to live and work sustainably in the future, the 2030 Agenda needs to be mainstreamed in the policy-making processes, budgetary funding must be made available, plans must be coordinated, and all the steps introduced must be closely monitored and reviewed in terms of their effectiveness.

But how do we put these goals and plans into practice? Many of our partner countries are seeking advice and dialogue on these matters. With the 2030 Implementation Initiative, the BMZ is assisting its partners with initiating the necessary transformation on a strategic level. This is urgently needed, as the German Minister for Economic Cooperation and Development Dr. Gerd Müller explains: ‘If we don’t act now, we and our children will pay a high price tomorrow.’

¹ Food and Agriculture Organization of the United Nations: http://www.fao.org/3/a-I7695e.pdf
The implementation of the 2030 Agenda is based on five overarching principles. These are: Universality, integrated approach, shared responsibility, leave no one behind and accountability. The principles illustrate the new and enhanced quality of the 2030 Agenda and lay the foundation for the individual contributions to implementation.

The 2030 Agenda is universally applicable to all countries alike – to developing, emerging and industrialised countries. Every country must change its actions to make them conducive to sustainable development.

Sustainability means taking equal account of the social, environmental and economic dimensions of development. The different development challenges are closely interlinked and mutually influence each other. It is essential in this context that no SDG should be attained at the expense of another one (integrated approach). For example, economic growth must not be achieved through the waste of resources, as this would negatively impact terrestrial and marine ecosystems.

It goes without saying: Sustainable development and the achievement of the SDGs are not only tasks for governments. They can only be achieved if all actors, whether governments, companies, civil society groups, citizens, or researchers, accept their shared responsibility and pull in the same direction.

Leaving no one behind means focusing on people with the fewest development opportunities and the quietest voices. It also means reaching them first.

Progress towards sustainability needs to be measured and communicated, not least to enable changes at the right moment. The 2030 Agenda provides for accountability, recognising that citizens in their own countries and the international community wish to be informed of developments. The results and impact of development measures must be recorded, reviewed and disclosed.
Transforming our world by 2030
“If we don’t act now, we and our children will pay a high price tomorrow.”

Federal Minister Dr. Gerd Müller
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With the 2030 Implementation Initiative, BMZ supports projects in 26 partner countries and at three regional organisations. So far, funding this work with about EUR 58 million. Partner countries can apply for projects at one or more levels, depending on where they require support. To this end, new projects are launched or existing technical cooperation programmes are expanded to include additional measures. Additionally, low-volume, short-term initiatives receive assistance from the 2030 Agenda Transformation Fund as part of the 2030 Implementation Initiative. The programme is being implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of BMZ. The 2030 Implementation Initiative is an important and promising approach on the part of German development cooperation. The processes funded with the programme and the resulting experiences help partner countries to realise their national goals for implementing the 2030 Agenda. “With the 2030 Implementation Initiative we have created a unique bilateral initiative focusing on areas where needs of partner countries are highest and which promise the greatest success,” says Dr. Ingolf Dietrich, Commissioner for the 2030 Agenda for Sustainable Development at BMZ. The 2030 Implementation Initiative works at eye level with its partners to initiate new partnerships for sustainable development. Additionally, the experiences will inform the methods and strategies of the German Government’s approach to development cooperation in the medium term and thus boost its impact in promoting sustainability. This publication provides an overview of the tools and methods that the 2030 Implementation Initiative is using to accelerate the urgently required transformative change.

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2 A number of the projects and measures are currently still at the preparation stage and are yet to be verified with the partner countries. Conceptual adjustments may therefore still be made.
3 https://www.2030transformationfund.com/
Chancellor of Germany
Angela Merkel at the adoption
of the 2030 Agenda at
UN headquarters New York in 2015
The 2030 Agenda sets ambitious and elementary goals. However, these must be integrated into national and local development plans and strategies and, ideally, enshrined in law. That way, state structures will be strengthened for the implementation of the 2030 Agenda. Failing to do so would leave the goals detached from the practical policies of a country, causing them to fizzle out.

If we wish to mainstream the Agenda, we need to convince the key decision-makers at all state levels, galvanise the existing political will, carry out lobbying work and organise the required knowledge despite all the opposition we may face. After all, bodies and institutions tend to stick to what has been tried and tested. Consequently, it is essential to make adjustments to the general political conditions. However, the content of the 2030 Agenda represents uncharted territory for everyone. This entails uncertainties and fundamental changes, which also need to be communicated between national and sub-national actors.

Countries thus need to adapt their structures and introduce new approaches at all political levels. Most of all, they must broaden their sectoral thinking to include cross-ministerial action. After all, the 2030 Agenda requires that no SDG is achieved at the expense of another. These changes are no easy undertaking, neither for political bodies and authorities, nor for companies and organisations. It is all the more urgent to translate these change processes into state action and initiatives and at the same time bring civil society, businesses and the research sector along on the journey. This is the only way to turn plans into genuine policy.

‘Translating the 2030 Agenda into legislation is no easy task,’ says Helge Arends, who heads the project ‘Development of a Mexican sustainability architecture to implement the 2030 Agenda’ in Mexico. This is because in order to lay the structural and legal foundations, a country must make many adjustments simultaneously. In Mexico, the 2030 Implementation Initiative is taking three paths on behalf of BMZ. First, the project is supporting the National Council for the 2030 Agenda. This forum brings together state and non-governmental actors and advises the Mexican presidential administration on the implementation of the 2030 Agenda. Second, the project advises the President’s Office, which is formulating a Mexican sustainability strategy. Third, the cooperation arrangement strengthens the relationships between the public sector, civil society, the private sector and research.
PROVIDING INFORMATION

In Mexico, as in all other partner countries, planners face a dilemma. While the term ‘2030 Agenda’ appears frequently in government circles and within development organisations, barely anyone in local communities, civil society or the private sector knows what it means, what it involves and what tasks they are required to carry out as part of it. The same applies to the population at large, most of whom have hardly any knowledge of the 2030 Agenda and the SDGs. ‘Our greatest challenge is to inform people about the SDGs and the related opportunities,’ says Bernhard Hartleitner, who has been tasked by the 2030 Implementation Initiative to improve conditions for private investment in 2030 Agenda projects in the Khyber Pakhtunkhwa and Punjab provinces of Pakistan. To achieve this, all involved parties require reliable information.

In many countries, the 2030 Implementation Initiative therefore promotes information campaigns, or organises forums and discussion events jointly with local partners. Examples include Ghana, Namibia, Benin, Myanmar and Mexico. This makes sense from a strategic point of view, as measures for implementing the 2030 Agenda, such as an increased tax rate to enable 2030 Agenda projects to be financed or the cutting of fossil fuel subsidies, may encounter public resistance. The more the population recognises the value of such measures for themselves, the more sustainably the government can pursue its reform activities and legislative proposals. Conversely, civil society can use the SDGs to strengthen their claim vis-à-vis their government.

MAINSTREAMING

Ultimately, global frameworks such as the 2030 Agenda and the equally important Paris Climate Agreement must be mainstreamed into regulations and strategies. This is the only way to make the changes agreed at global level a reality.

But what needs to be included in strategies and legislation and which requirements need to be changed accordingly? Who is responsible and (given that the 2030 Agenda affects virtually all government ministries) who coordinates the ministries and authorities? Germany supports many partner countries in this regard through the 2030 Implementation Initiative. For example, it is assisting Namibia and South American partners. The latter via the Economic Commission for Latin America and the Caribbean (ECLAC), which supports its member states with integrating the SDGs into national development and sector plans.

Formulating strategies and policies is one challenge, while organising majorities to adopt them is another. Of course, it is also necessary to ensure that the interests of civil society, the research sector and the private sector are heard. ‘They all have their own perspective and different levels of knowledge. This is where a process becomes highly political and the task of harmonising the different opinions becomes very complex indeed,’ says Alejandro Manriquez, who advises the President’s Office in Mexico on behalf of GIZ (see Mexico interview, page 17).

To this end, a multi-stakeholder approach, the Development Partners Forum, is being further developed in Namibia in cooperation with the 2030 Implementation Initiative. This forum coordinates implementation contributions for the 2030 Agenda, working in the process with a number of actors to set national priorities.

Once a piece of legislation has entered into force, then the window for exerting influence upon it has closed. This is why it is fundamental in legislative initiatives to analyse the consequences at the early legislative development stage in terms of its compatibility with the SDGs. Such regulatory impact analysis is established practice in Germany and Europe, but not in many developing countries and emerging economies. The 2030 Implementation Initiative is therefore assisting the Georgian Government with introducing this method and thus mainstreaming the 2030 Agenda in its legislative processes. The Georgian example now serves as a model for neighbouring states, such as Armenia, Azerbaijan, Moldova and Ukraine. ‘The 2030 Implementation Initiative has helped us to drive regional dialogue with Azerbaijan and Armenia on the implementation of the SDGs. The support provided by Germany was extremely helpful in this regard,’ says Anna Kvernadze, Head of the Sustainable Development Goals Council of Georgia (see practical example of Georgia, page 16).

IMPLEMENTATION

Things decided at state level must be implemented, particularly in cities and municipalities, because it is here, at the local level, that people can be reached directly. ‘Without local government and municipalities, the SDGs can not be realised,’ says Bernhard Hartleitner from the project in Pakistan. In Mexico and Vietnam, the 2030 Implementation Initiative is assisting municipalities with incorporating the 2030 Agenda requirements into their development plans, too. With support from the project, two Vietnamese provinces have adopted local action plans for implementing the 2030 Agenda. The same accounts for Benin, where, as in many parts of the world, municipalities face enormous challenges. ‘They need to develop an understanding of their role in the process, provide information about the 2030 Agenda, gain practical experience and organise the necessary financial means,’ says Nestor Ahouangan, component manager in the ‘Supporting decentralisation and municipal development’ programme.
In Benin, the 2030 Implementation Initiative raises awareness among Beninese communities and local actors of their role in implementing the 2030 Agenda. For example, the project encourages partner municipalities to process their practical experiences of implementing the SDGs. This promotes mutual learning among the municipalities, who can draw upon these experiences, translate them into their own context and implement them accordingly. At the same time, the lessons learned are used to inform the discussion at national and international level. In this context, the 2030 Implementation Initiative involves civil society in Benin. ‘With the support of the programme, we have trained SDG facilitators, allowing us to inform 400 non-governmental organisations (NGOs) and numerous mayors and prefects about the SDGs,’ says Comlan Maurice Gbemendou, of the NGO RODD.4

4 Réseau des Organisations non gouvernementales pour les Objectifs du Développement Durable (RODD)
In Germany, regulatory impact analyses (RIAs) have long been a tried-and-tested instrument for more effectively anticipating the impact of legislation and paving the way for its implementation. This is an instrument the Georgian Government intends to introduce. A team of GIZ experts is assisting the country in this endeavour.

The component “Mainstreaming the requirements of the 2030 Agenda in regulatory impact analyses” has three priorities in this regard. First, the staff members advise the Ministry of Justice, the Administration of Government of Georgia and the operational Sustainable Development Goals Council. Second, the project aims to mainstream the RIA as a method in Georgia. This requires that a sufficient number of experts internalise both the methods and the requirements of the 2030 Agenda. The project finances training for government actors and experts from universities and NGOs. ‘We intend to disseminate the methodology as widely as possible to ensure that we still retain the knowledge after government reshuffles and against the backdrop of high staff turnover,’ says Sina Heers. Third, RIA will also be piloted in a practical context.

PRACTISING IN A SAFE SPACE

A cross-ministerial community of practice facilitating dialogue between parliament staff and different ministries has proven highly successful. This community provides a safe space for participants to test out analysis methods and discuss RIA reports, and to review the extent to which they are truly integrating aspects of sustainability.

The latter provide effective preparation for the practical application of RIA in specific legislative proposals. In its first year, the project worked with a range of ministries and parliament to carry out a corresponding review of initial legislative proposals. There are currently six more pieces of legislation awaiting review. Anna Kvernadze, Head of the Sustainable Development Goals Council of Georgia, values the collaboration and dialogue with the project experts. ‘We find the German-Georgian dialogue on methods and expertise to be extremely useful. One of the results of this collaboration will be an SDG toolkit which will enable us to review the sustainability, objectives and SDG indicators of our legislation.’ The online tool is based on the German electronic sustainability impact assessment (called eNachhaltigkeitsprüfung).

USEFUL PROCESS – FOR THE ENTIRE REGION

Against this backdrop of good results, there is opportunity to engage in more in-depth regional dialogue with other countries that wish to introduce RIA as a method, such as Azerbaijan, and those that have already introduced it, such as Armenia. Georgia’s experiences are also useful to Moldova and Ukraine. The project intends to use specialist events to initiate this dialogue and drive targeted dialogue platforms. Representatives of Armenia’s National Centre for Legislative Regulation and the country’s Ministry of Justice have already taken part in multi-day seminars put on by the community of practice in Georgia and shared their experiences of the difficulties faced in introducing the RIA instrument. For their part, the Georgian representatives outlined how the objectives of the 2030 Agenda are being systematically integrated into the analysis of legislative initiatives.
German development cooperation is assisting the President’s Office, which is responsible for implementing the 2030 Agenda at national level. Alejandro Manríquez, a advisor of the 2030 Implementation Initiative, explains in this interview what is involved.

**GIZ IS ASSISTING THE MEXICAN PRESIDENT’S OFFICE WITH FORMULATING AND IMPLEMENTING A NATIONAL SUSTAINABLE DEVELOPMENT STRATEGY. HOW IMPORTANT IS THIS TASK?**

Just under half of all 125 million Mexicans live below the poverty line. About 79% of the electricity in the country is generated from fossil fuels. At the same time, the nation is one of the 12 most biodiverse countries in the world. These three facts show the tremendous amount of leverage we can have on poverty and environmental issues if Mexico successfully translates the 2030 Agenda into government action.

**WHAT IS THE ADVANTAGE OF HAVING THE PROJECT BASED AT THE MEXICAN PRESIDENT’S OFFICE?**

It means that the 2030 Agenda has been placed at the highest political level. Consequently, the 2030 Implementation Initiative is providing input to the most significant and powerful control room in the country. This is an exceptional opportunity to play a part in developing the national sustainability architecture. Now we focus on motivating the new president, who took office in December 2018, to enthusiastically implement the 2030 Agenda.

**HOW IS MEXICO IMPLEMENTING THE 2030 AGENDA?**

The former president launched the National Council for the 2030 Agenda in April 2017. This is the highest national coordinating body for the 2030 Agenda, comprising state actors at all three levels (national, state and municipal), as well as non-governmental actors from civil society and the research and private sectors. We have already provided advisory services to the office. In this context, the Mexican Government has agreed on other measures besides the national sustainable development strategy, measures which have already proven their worth as examples of best practice at international level. As such, a national sustainable development strategy is being developed, the national budget is being aligned with the 2030 Agenda and key principles of the 2030 Agenda are integrated in a reform of planning legislation.

**HOW ARE YOU ASSISTING THE PRESIDENT’S OFFICE WITH IMPLEMENTING THESE GOALS?**

We provide knowledge where it is needed and advise the office on ways of integrating legislation and practical measures to make them coherent. We also support processes for bringing the population, the research community and the business sector along on the sustainable development journey. It is precisely this step that represents a cultural shift for Mexico.

**WHAT HAVE YOU ACHIEVED?**

Based on international learning experiences, above all from Germany, we have accompanied the development of the sustainability strategy. We have developed the methodology how ministries and civil society can be involved in the process. The 2030 Implementation Initiative has also facilitated several advisory processes and dialogues which give NGOs, researchers and companies an opportunity to contribute their ideas. The question revolved around how we could systematically address the ideas, suggestions and criticism of 1,300 actors and of Mexican Government ministries, states and municipalities and integrate them into this process. To this end, we worked with research institutes specialising in sustainable...
development and citizen participation. After all, we also came up with various policy recommendations so that the strategy is actually addressing the big challenges in implementing the 2030 Agenda. We can proudly say that we are playing a key role in the drafting of the Mexican sustainable development strategy for the 2030 Agenda.

WHAT ARE THE NEXT STEPS?

It is important that the new government pursues implementing the 2030 Agenda, of course adapted to its own national priorities. We believe that key parts of the national strategy will be adopted without amendment. The presentation of Mexico’s Voluntary National Review (VNR) at the United Nations High-level Political Forum on Sustainable Development (HLPF) in July 2018 mainstreamed previous implementation efforts at international level. This is because the VNR explicitly outlines the process for drafting the national strategy. The new planning legislation is already in force and safeguards a certain level of continuity; our project is also continuing to run. After all, working with actors from a range of sectors to implement the sustainable development strategy locally is a Mexican-German objective, for example, in the state of Oaxaca.
Financing – increasing revenue and mobilising private investment

Achieving the SDGs of the 2030 Agenda will take enormous investments. Developing countries alone will require around USD 2,500 billion for this purpose. Currently, these nations invest just USD 1,400 billion. Consequently, over two thirds of the funding is lacking.

Developing countries must thus provide significantly more capital than they have to date. A number of measures can be adopted for achieving this, such as higher tax revenues or the cutting of subsidies that conflict with the achievement of the SDGs. However, public funding alone is absolutely insufficient for providing the necessary investment. Additionally, there is a need to bring private investors and donors on board. However, this is just one side of the coin. It is also necessary to use and prioritise available funding appropriately, something for which the involved institutions require qualified experts with the relevant knowledge.

CHALLENGES

If developing countries were to use all the available financing options, then they could provide significantly more funding for the implementation of the 2030 Agenda than they do today. However, many countries lack the necessary expertise for identifying the diverse range of financing mechanisms and using them for the purpose of sustainable development.

Additionally, many countries have a poor overall investment climate due to non-transparent administrative processes and a lack of legal certainty. This not only makes them less attractive to investors, but also frequently prevents the effective and efficient administration and collection of taxes and duties.

CREDIBLE BUDGET MANAGEMENT IS ONE OF THE TARGETS OF THE 2030 AGENDA

Like the provision of finance, good budget management is a key lever for implementing the 2030 Agenda. This requires properly functioning state budgeting and accounting processes and the reliable transfer of finance from central government to the municipalities. The 2030 Agenda underscores the importance of parliamentary budget control. This control process must use budgeted and actual costs in its assessment of measures in order to have credibility.

Governments can use their fiscal policy to manage their investments and thus, for example, reduce poverty and hunger and improve education and health care.

**TAX REVENUE AND EXPENDITURE**

In many developing countries, tax revenues account for between 10% and 15% of the gross domestic product, making them far too low. The figure for industrialised nations is between 30% and 45%, allowing them to finance the wide-ranging tasks of the state. These include the provision of basic state infrastructure, the maintenance of an adequate education and health care system and national infrastructure, and the deployment of poverty reduction measures. It is therefore essential for countries to increase their tax revenues, reduce tax avoidance and evasion, and introduce innovative taxes such as tax on aviation fuel or CO2-tax.6

Take Indonesia for example, which is seeking to align its entire budget planning process with the 2030 Agenda. In this way, the government in Jakarta is looking to substantially increase its tax revenues to allow it to fund investments for the implementation of the 2030 Agenda itself. ‘It is exciting to see Indonesia not only taking the rocky road to higher tax revenues, but also looking to make this path sustainable,’ says Philipp Johannsen, who heads the 2030 Implementation Initiative’s ‘Domestic resource mobilisation for sustainable development’ project in the Asian nation. The project has two goals. First, it assists the Ministry of Finance with increasing the tax rate, and second, it supports the Ministry to formulate tax legislation in such a way that it fuels sustainable development.

‘For example, if Indonesia is to increase its tax rate, then it must make its tax administration more efficient,’ explains Johannsen. The 2030 Implementation Initiative is assisting the country with developing a new tax database, purchasing the necessary IT for it and developing the required software ( see practical example of Indonesia, page 24).

**INVESTING AND PROVIDING ACCOUNTABILITY**

Where and how governments invest is also decisive for the success of the 2030 Agenda. It is therefore necessary for them to provide accountability about their expenditure. This task is the responsibility of the supreme audit institutions, which, in many developing countries, require support in terms of capacity development. ‘In Serbia, we are supporting the audit office in the development of a methodology for evaluating the progress of the 2030 Agenda,’ says Urs Bürcky from the ‘Public finance reform – financing the 2030 Agenda’ project in the Eastern European country.

In Africa, BMZ supports the African Organization of Supreme Audit Institutions (AFROSAI). The goal is to develop coordinated audits and audit templates for analysing illegal financial flows, developing the overall analytical capacity of the authorities and thereby boosting their effectiveness ( see practical example of African Organization of Supreme Audit Institutions, page 22).

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6 GIZ: Harnessing financial innovation to jump start implementation of the 2030 Agenda (internal working paper).

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Brazil is leading the way in the use of wind power in Latin America and the state of Ceará is already called the capital of wind power.
BRINGING PRIVATE INVESTORS ON BOARD

In order to ensure sufficient funding for the 2030 Agenda, countries must also bring private donors and investors on board and adopt new approaches in the process. ‘For many Muslims in countries such as Pakistan, for example, it is typical to donate 2.5% of their income to social aid projects,’ says Bernhard Hartleitner, who works for the 2030 Implementation Initiative in the country. Foundations and companies are also potential donors in a corporate social responsibility context. However, the greatest proportion of finance by far will need to be generated through conventional investors, who are also looking to make a profit and increase their earnings.

This is possible if governments create secure general conditions and/or incentives for investment. The German Government’s Renewable Energy Sources Act is a good example of how legislation can be combined with financial incentives to generate billions in investment and initiate a green energy supply. Ever since its implementation, the law has served as an example to many developing countries and emerging economies for the development of their own wind power, solar energy and biogas potential.

In this case, aided by regulations and incentives, the governments have leveraged innovative technologies. Investors and donors also see similar opportunities in other SDG-related fields. Possibilities exist where SDGs and investments deliver benefits to all parties.

Nonetheless, corresponding investments do not automatically promote the SDGs. This is why governments must formulate rules and legislation that safeguard the sustainability of these investments. If they succeed in this, then they can use sound regulations to lay the foundation for investment.

GREEN FINANCIAL MARKETS

There is also a need for financial products designed to facilitate SDG-related investments. These may be credit and loans, as well as sureties and products that reduce the risk for private investors. Recent decades have seen the emergence of a series of such financial products that facilitate investment in sustainable development. The 2030 Implementation Initiative assists partner countries with using these products for their 2030 Agenda investments.

Experts from the initiative advise regulatory and supervisory authorities in the financial sector, such as ministries of finance and central banks, on how to establish rules for such financial products, and also advise banks and financial service providers on ways of offering innovative financial products. Take Brazil, for instance: ‘The Brazilian Government intends to use green financial products to generate an additional EUR 15 billion from private investors to be made available for investment in SDG-related fields,’ says Arnd Helmke, who heads the 2030 Implementation Initiative’s ‘Green finance’ project in Brazil. In this context, Germany is assisting Brazil in different ways. ‘To mention just one example, this involves strengthening the role of sustainability criteria in financing decisions and in reporting,’ Helmke adds. (→ see practical example of Brazil, page 23)
Supreme audit institutions, such as Germany’s Federal Audit Office, play a key role in auditing ministries and administrations and reviewing the efficiency of their spending behaviour. However, in many developing countries, the auditing authorities lack the capacity to fully exploit the potential available to them.

‘In sub-Saharan Africa in particular, the government, administration and auditing authorities often lack sufficient capacity, something which determines whether national development programmes are implemented effectively or not,’ says Barbara Dutzler from the Good Financial Governance programme based in Pretoria. In order to boost the accountability of countries in regard to their implementation of the 2030 Agenda, the programme supports the African Organization of Supreme Audit Institutions (AFROSAI) in embedding the SDGs in national accountability processes. This requires that awareness of this issue is raised among all involved and methodological expertise is promoted and developed.

With Germany’s support, AFROSAI intends to develop methods and templates for auditing the level of SDG achievement at pan-African level and to roll these out at national level in a second step. ‘We are working with AFROSAI to develop coordinated audits in which the participating supreme audit institutions analyse topics such as illegal financial flows. This gives rise to audit templates which can then be used by all the supreme audit institutions in their respective countries,’ says Barbara Dutzler, explaining the approach. The authorities forward the results to the respective parliament. After an analysis of common challenges, these results are also published in the regional context.

AFROSAI and the supreme audit institutions are also being supported by the 2030 Implementation Initiative with drafting further approaches for strengthening the analytical skills of the supreme audit institutions and developing their capacity to implement new methods. ‘We are working on a diagnostic instrument that analyses the effectiveness and transparency of public institutions in the area of public financial management,’ says Dutzler. The 2030 Implementation Initiative is also providing support with the professionalisation of auditors in the area of public accounting standards as a basic requirement for the auditing of SDG-sensitive processes, legislation and projects.

Barbara Dutzler considers it a significant achievement that the supreme audit institutions, AFROSAI and international institutions recognise the role of supreme audit institutions in reaching the 2030 Agenda. ‘This results in auditors paying more attention to the efficiency and effectiveness of government programmes,’ says Dutzler. ‘In this way audits are becoming more substantial and relevant for the SDGs.’
Brazil intends to improve the framework conditions for green investment and channel private investment into green areas. The 2030 Implementation Initiative is contributing German expertise. Head of the project Arnd Helmke provides more details.

What does this mean for practical implementation?

It all begins with the question of what a green financial product is. We need a definition. Currently, there is only a guideline from the Brazilian Federation of Banks, but no legally binding agreement. At the same time, our partners must be able to assess potential risks associated with green financial products. To facilitate investment in the first place, investment projects in areas such as renewable energy, agriculture, forestry and green infrastructure must be made bankable, otherwise banks will not issue loans. One reason for this is that many of these investments rely on technologies which must first be understood by financial experts. This requires a great deal of basic knowledge.

With over 1,750 financial institutions and 500,000 employees, Brazil’s banking sector is very strong. The Ministry of Finance and the Central Bank have their own renowned specialists. What can Germany add in this regard?

It comes down to the specific knowledge that we can organise, for example, in order to develop new and internationally pioneering standards. We also wish to engage in dialogue on ideas and approaches. After all implementing the 2030 Agenda is a new task for all countries. In Germany, for instance, it took a long time until banks used the forecast revenues for planned wind parks as a security. We can use this experience with the goal of making innovative financing and security models available more quickly in the best case and thereby leveraging 2030 Agenda projects with private funding.

BRAZIL INTENDS TO IMPROVE THE FRAMEWORK CONDITIONS FOR A ‘GREEN’ FINANCIAL MARKET IN ORDER TO CHANNEL MORE PRIVATE INVESTMENT INTO GREEN TOPIC AREAS. WHY?

The Brazilian Government has made international commitments with regard to both the 2030 Agenda and the Paris Climate Agreement. Brazil is unable to finance the resulting investments with public funding alone.

You are supporting the Ministry of Finance and the Central Bank in this respect. In which fields is the 2030 Implementation Initiative involved?

We advise the Ministry of Finance on ways to shape the general conditions for the emerging green financial market and thus ensure greater planning security for investors. However, there is also a need to regulate and monitor the existing and growing financial market. Once a sound regulatory framework is in place, then banks and financial institutes must develop and offer new financing models to ensure that green business potential is actually leveraged. We are working in this context with both the Central Bank of Brazil and the Brazilian Ministry of Finance, incidentally for the first time in a technical cooperation context. Both are key institutions when it comes to financing green projects.

What is the 2030 Agenda?

The 2030 Agenda is a global sustainable development framework adopted by all United Nations Member States in 2015. It includes 17 Sustainable Development Goals (SDGs) that are expected to be achieved by 2030. The SDGs cover a range of topics including poverty, inequality, climate, environmental sustainability, peace and justice. The Agenda seeks to create a more inclusive, sustainable and equal world for all.
It is like open-heart surgery

Indonesia intends to increase its tax rate. To this end, it requires a modern tax database and innovative tax laws. Germany intends to support the Asian country in this regard.\footnote{The project is not yet in the implementation phase due to the exchange of notes that is still to take place (status as of: December 2018).}

Indonesia is seeking to become one of the first countries to gear its state activities and budgetary management to the 2030 Agenda. It intends to generate the necessary funding itself, for example, by increasing its tax rate. The 2030 Implementation Initiative is looking to support the country in two fields to this end. On the one hand, it will assist the Ministry of Finance with formulating effective legislation that supports the 2030 Agenda. On the other hand, it is seeking to support the country in making its tax administration more efficient.

To this end, Indonesia intends to set up a new tax database, purchase the necessary IT hardware and develop its own software. ‘We are dealing here with high-end technology and software and a highly complex reorganisation process. It is like open-heart surgery, as the authorities need to be able to continue using the tax database despite the reorganisation,’ says Philipp Johannsen, who will head the 2030 Implementation Initiative’s project in Indonesia.

The country has excellent software specialists. The project plans to organise the additional knowledge that is required and to assist the Ministry’s experts with managing this process. ‘It is also about the Indonesian institutions continuing to hold the reins and, for example being able to look over the shoulders of the software specialists and IT professionals,’ says Johannsen, outlining the challenge.

Innovative tax legislation would also enable Indonesia to channel cash flows into areas conducive to the 2030 Agenda. But how do you ensure that the taxes boost prosperity, education and health care instead of leading to poverty?

Let us take the example of fishing tax, an area that the partnership intends to tackle. ‘The goal is to tax fishing and at the same time promote sustainability,’ says Johannsen. This requires an impact assessment. The Ministry of Finance, the Ministry of Marine Affairs and Fisheries and the 2030 Implementation Initiative are planning to work with universities and the Halle Institute for Economic Research. ‘We intend to speak to all actors and also finance the necessary studies. Drawing on a solid database, we plan to simulate a range of scenarios,’ says Johannsen.

The goal of the joint work will be to take as many organisations, authorities, associations and, of course, fishermen as possible along in the process, given the strong forces of inertia involved and the sensitive and highly political nature of fishing as a topic. Germany’s involvement will be focused on tax-related aspects. It is necessary to take account of environmental standards, nets, boat sizes and fish stocks and allow them to inform the tax legislation. ‘Ultimately, however, small-scale fishermen need to be able to make a living from their work, while fishermen with larger boats or several vessels need to pay more tax,’ says Johannsen, outlining the situation.

Both areas of the project are seeking to work with partners on drafting key details to help Indonesia with achieving its goals. ‘What we have here are two G20 nations operating on an equal footing, both in the development of IT systems and in cooperation with highly specialised institutes and universities. This will certainly be a very exciting task,’ says Johannsen.
Fishermen in Buro/Indonesia after hauling the nets
With adopting the 2030 Agenda, all states have committed to measuring their progress in implementing it and monitoring the effectiveness of this implementation. The 2030 Agenda sets the bar high with its 17 SDGs, 169 targets and 232 global indicators. They are supplemented and contextualised by indicators at national and regional level, which the states themselves are responsible for developing. National indicators take account of national conditions and measure national progress.

There are several elements to the review mechanism. At the global level, the High Level Political Forum on Sustainable Development (HLPF) gives states the opportunity to present their achievements and experiences in implementing the 2030 Agenda. Between 2016 and 2018, 102 countries have already submitted their Voluntary National Reviews (VNR) to report on the implementation of the 2030 Agenda. Each report presents implementation progress and strategies, underpinning them with data and analyses from the national statistics offices. The focus in this context is on sharing experiences and mutual learning. In addition to the reporting at political level, the mechanism also provides for global measurement and review of the goals set in the 2030 Agenda. The SDGs are monitored through the annual reports submitted by the national statistics systems to the United Nations Statistical Commission. To this end, the United Nations Secretary-General publishes the Sustainable Development Goals Report annually. The report shows the progress that has been achieved around the world, broken down by region. Additional review processes are also taking place and reports are being published at regional and sectoral level.

The process in the countries poses major challenges for many governments. They require corresponding structures, for example, for the review process and for involving the research and private sectors and civil society. There is also a need for more substantive data in order to properly measure progress and set-backs. Based on this data, countries can adjust their strategies in the interest of evidence-based policy-making.

8 All state reports are compiled in the Voluntary National Reviews Database at: https://sustainabledevelopment.un.org/vnrs/.
BMZ is supporting its partners in this process based on Germany’s experiences. This is because, in order to strengthen the review mechanism, the German Government submitted its VNR to the United Nations’ HLPF in the first round in 2016. In this way, the government sent out a positive political signal. The German VNR made statements on all 17 SDGs, identified challenges and the global impact of national activities, and involved non-governmental representatives in drafting and presenting the report.

**CHALLENGES – REFLECTING ON, DISCUSSING AND ADJUSTING ACTIONS**

In order to push ahead as appropriately and effectively as possible with implementing the 2030 Agenda, it is necessary to regularly review all processes and investments and make adjustments where necessary. To this end, states require reliable, disaggregated and up-to-date data. This data enables discussions to be conducted and decisions made on the basis of evidence, both within the government and in civil society. These requirements pose challenges to a number of partner countries.

The first challenge is that ministries, authorities and statistics offices are very limited in their ability to collect and analyse relevant data. Some countries lack reliable data for climate, environmental and social goals. Other countries have such data, but it is often not of sufficient quality to be analysed using 2030 Agenda indicators. As such, to give just one example, data is rarely broken down by population groups, which means it is not possible to make statements on marginalised groups such as disabled persons, indigenous groups or the poorest of the poor. It is then not possible to implement the 2030 Agenda principle of reaching the furthest behind first. Another challenge is found in the fact that statistics offices in the partner countries often lack the necessary capacity for interpreting data records.

This situation is made more difficult by the fact that many developing countries are working under difficult conditions. A lack of IT systems and a fragile electricity supply in rural regions especially hamper efforts to collect data electronically. However, software programmes and fast hardware are needed to evaluate and analyse large and complex volumes of data (see Ghana interview, page 30).

Other countries, like Myanmar, have to modernise their statistical systems. ‘The country is only now developing a modern statistics system. At the same time, Myanmar is heading in the right direction, having already introduced reform steps in 2011 and strengthened its Central Statistical Organisation through new legislation in 2018,’ says Jasmin Freischlad, who heads the ‘Capacity Building for the Implementation of Sustainable Development Goals’ project in Myanmar (see practical example of Myanmar, page 29).

**LAYING THE FOUNDATIONS**

In Ghana, Namibia and Myanmar, the 2030 Implementation Initiative is supporting different actors in developing their capacities in the areas of statistics, data analysis and evidence-based policy-making. To this end, the initiative is financing training and promoting the development of curricula to enable the countries to train their own experts. Additionally, the Initiative is assisting with the adaptation of general organisational and regulatory conditions in the statistics system in order to strengthen the institutions on a sustainable basis.

In Namibia, for example, the 2030 Implementation Initiative is helping to coordinate the National Statistics System and to develop a monitoring system for the SDGs and the National Development Plan. It has also funded the establishment of a database. This was the prerequisite for Namibia being able to submit its VNR in 2018.

In Vietnam, the 2030 Implementation Initiative is supporting the Ministry of Planning and Investment, as the central coordination point for implementation of the 2030 Agenda, in reviewing its progress towards achieving the SDGs and in international reporting. Helping to adapt the national system of indicators to the needs of the 2030 Agenda is one of the priority areas of the project. These indicators create a binding basis for evaluating and communicating progress. ‘The process of formalising the indicators plays a particularly key role in Vietnam, as only indicators that are mainstreamed in the country’s Statistics Law can be officially used by the government,’ says Justyna Grosjean, advisor to GIZ’s ‘Macroeconomic reforms/green growth’ project. The project advises the General Statistics Office on the development of the indicator framework for SDGs, especially in regard to the integration of gender and environmental dimensions.

Monitoring at the local level in particular poses major challenges to countries. In Benin, the 2030 Implementation Initiative is therefore supporting the Ministry of Decentralisation with developing and operationalising the Local Governance Performance Index, which serves as an indicator for SDG target 16.6, which has been prioritised by Benin. The index can be used to measure the quality of local governance. It also serves the municipalities as a self-assessment tool and a basic source of information. The results could also inform international reporting in future.
REPORTING TO THE HLPF

The 2030 Implementation Initiative has assisted Namibia and Vietnam with their reporting activities and helped both countries to submit their VNRs to the HLPF in 2018. Both times, non-governmental actors, such as civil society, were involved in the process. The reporting process has had notable additional effects in Vietnam and Namibia. The planning ministries have looked at case studies, data and suggestions from civil society and incorporated them into their VNRs. In Namibia’s case, an event on civil society involvement was also held on the fringes of the HLPF.

Civil society plays a key role in the implementation of the 2030 Agenda in other countries as well. It often serves as a corrective to state institutions. Civil society organisations in numerous nations are preparing their own reports on the implementation progress of the 2030 Agenda by their countries. These reports can and should then inform the reporting process.

USING DIGITAL TOOLS

IT devices and the relevant software are playing an increasingly important role in complex data analysis as well as in data collection. This is because statisticians can now use faster computers to generate far more disaggregated data records than in the past. The 2030 Implementation Initiative assists its partner countries with developing their statistical capacities accordingly. Take Kenya and Ghana, for example.

In Kenya, the 2030 Implementation Initiative is strengthening the data collection capacity of state statistics offices and non-governmental institutions alike. In this way, it is seeking to make innovative digital data sources and new collection technologies, which are now commonplace in the private sector, available for use in SDG monitoring. For its part, Ghana is looking to establish a digital database with German support. It will enable local communities and districts in particular to collect and analyse their own data based on uniform standards and then use this data for planning the SDGs.

Digitalisation in the financial sector: Bitcoin concept – the new global currency
We are still reluctant in general to share data. But data constitutes a national resource which we must use together for the development of our country,’ says Dr. Wah Maung, Director General of the Central Statistical Organisation (CSO). Myanmar is not alone in facing this challenge. The Asian country stands out in this context for having recognised the value of sound data and the analysis of this data.

The government began to modernise its statistical systems back in 2011, adopting additional legislation in 2018 to strengthen the CSO with a far-reaching mandate. The CSO also plans to increase its staff numbers from 400 to 700. This is the good news. The bad news is that there are not enough qualified experts to fill the new vacancies. This is a dilemma other countries are also facing.

‘We intend to develop the institutional capacity of the Central Statistical Organization. In particular, this includes its ability to engage in dialogue and coordinate its work with other actors,’ says Jasmin Freischlad, who heads GIZ’s ‘Capacity Building for the Implementation of Sustainable Development Goals’ project in Myanmar. Additionally, the project is seeking to improve the quality and availability of the data. Finally, it is training a Myanmarese think tank in how to use data for drafting evidence-based policy recommendations.

This data must also be available to civil society to enable it to comprehend developments with regard to the 2030 Agenda and exercise its democratic rights. ‘To this end, it is important that we also encourage the interpretation of data in political discourse and explain how this data can be used for this purpose,’ says Jasmin Freischlad. On 2 November 2018, the CSO held the first Myanmar Statistics Forum on the fringe of World Statistics Day with support from the 2030 Implementation Initiative. The forum revolved around two panel discussions on the topic of ‘Transforming Data Culture in Myanmar’. For the first time, government representatives engaged in dialogue on an official platform with parliamentarians, the private sector and the research community concerning the topic of data and statistics in the country. As such, this is a window of opportunity. While the CSO lacks a sufficient number of staff members, the ones it does have, are highly motivated and committed.
YOU ARE SUPPORTING 60 CITIES AND MUNICIPALITIES IN GHANA WITH MEASURING THE SDGS AND COLLECTING THE DATA REQUIRED FOR THIS PURPOSE. HOW ARE YOU DOING THIS?

We have set four priority areas. First, we raise awareness for the SDGs among cities and municipalities and inform them of the positive role they can play in the development process. Second, we advise on ways to integrate the SDGs into municipal development plans. We focus in this context on data collection and analysis. Third, we support the development of a web-based municipal monitoring system, which will serve as a standard for all Ghanaian municipalities. Fourth and finally, we work with municipalities, civil society and journalists to disseminate this data in order to make it accessible to policy-makers, the general population, NGOs, the research sector and companies.

WHAT ARE THE CHALLENGES GHANA IS FACING?

Now as in the past, not all municipalities have a functioning IT infrastructure, which obviously hinders the use of a purely web-based solution and makes it difficult to leave the paper chaos behind. Additionally, there are many different monitoring systems and numerous actors who all work in one way or another with data and monitoring, but who have up to now barely engaged with one another in dialogue.

WHAT OPPORTUNITIES DO YOU SEE?

The major advantage is that President Nana Akufo-Addo is seeking to position Ghana as a pioneer on the SDGs front and is promoting and demanding the administrative actors accordingly. Another advantage is the fact that the SDGs are considered to be neutral by all the country’s parties, which means that they can be pursued independently of the political conflict between these parties. Ghana will officially communicate its progress in the implementation of the SDGs for the first time in 2019, when it publishes its VNR. This is driving the discussion at both national and local level concerning ways that the country could create a better database.

WHAT IMPACT IS THE PROJECT HAVING?

We are helping Ghana to make progress with regard to translating the SDGs into indicators and adapting them to local conditions. We are assisting municipalities with collecting, analysing and communicating reliable data. Data will only be used in policy-making if it is processed to be easily understandable. And only when citizens are informed, they can ask the right questions to hold their government accountable. Through our activities, we are seeking to strengthen evidence-based policy decisions and encourage transparency. This should give rise to more sustainable and inclusive policy-making that is geared in particular to the most marginalised population groups. We are also boosting cooperation between all actors, not least in a statistics context. For example, we have launched the SDG Data Friends. We are working with civil society to ensure that disadvantaged groups are also included in statistics in order to take account of the ‘leave no one behind’ principle of the 2030 Agenda.
HOW DO YOU RATE THE OPPORTUNITIES FOR COOPERATION WITH NEW PARTNERS?

The SDGs enable new cooperation platforms to be established in the country, across sectoral boundaries, levels of government and different groups of actors. In order to achieve the ambitious goals, everyone must expand their own horizons and pool resources, knowledge and activities. One example is the Civil Society Platform on the SDGs, which was established in Ghana in 2015. Under this umbrella, over 200 organisations are working to promote the SDGs and planning and implementing projects. For the first time, the government has forged an institutionalised partnership with these organisations involving particularly close cooperation on the issue of data management. The support we are providing serves to consolidate this partnership and strengthen the role of the platform and hence that of civil society.

“CSO Platform on the SDGs” in Ghana

Meeting of the representatives of the CSO Platform on the SDGs in Ghana, the Private Enterprise Foundation and GIZ’s decentralisation programme