Summary

What progress has the European Union made towards achieving the Sustainable Development Goals (SDGs) and the 2030 Agenda since their adoption five years ago on 25 September 2015? The latest edition of Eurostat's SDG monitoring report,¹ published in June 2020, declares success with positive trends for 14 of the 17 SDGs. It finds a negative development only for SDG 5 (gender equality). Though the report does not deny that there are challenges, the overall message is that the EU is progressing well towards sustainability by 2030. Claiming that the EU is fast approaching sustainability is, to a good degree, an illusion.

This report examines how the EU measures progress towards the SDGs. Eurostat publishes an annual SDG monitoring report based on a set of 100 SDG indicators. While selecting indicators may sound like a technicality, in reality we are only able to count what counts with the right indicators. Their choice is highly political and reflects priority setting.

What are the most important issues to look at when measuring our level of sustainability? And what do we not measure? **The EU's current indicator set ignores some key sustainability challenges.** An example: the SDGs call for decent work and sustainable consumption and production. Yet, no indicator looks into the sustainability of the EU's global supply chains, neither their human and labour rights violations nor their negative environmental impacts. The EU's SDG monitoring also does not track the total material use embedded in our supply chains. The exploitation of workers and of natural resources go completely unaccounted for. The same holds true for all other negative spillover effects that our European policies and practices have on the rest of the world, ranging from arms exports to tax evasion in the billions.

Next to protecting the planet from degradation, the 2030 Agenda sets out to eradicate poverty and to curb inequalities. The EU's SDG monitoring does not look into some of the most extreme forms of poverty and inequality in the EU. Homelessness has been increasing in all but one

Member State but is not tracked. No indicator tracks discrimination and inequalities linked to ethnicity, race, religion, age, or sexual orientation. **The exclusion of specific groups remains hidden behind average figures for the whole population:** only 2.3% of all European households have no basic sanitary facilities, but more than half of the EU's Roma have no access to drinking water in their homes.

Other major sustainability challenges are monitored but in a way that creates an illusion of sustainability. Another example: Eurostat looks into the average CO2 emissions of new passenger cars. These have been decreasing due to better fuel efficiency. What the indicator does not reveal, is that the number of passenger cars has been increasing over the same period of the time. CO2 emissions from cars now account for more than 60% of the total CO2 emissions from road transport. The indicator does not measure whether we are actually bringing down emissions, making us believe more efficient cars solve the issue.

Because of their political nature, the discussion on SDG indicators cannot be left to technical experts and politicians alone. The choice of indicators must be a key element of a participatory, inclusive, and transparent SDG monitoring and reporting process in which civil society is guaranteed an active role, to make sure that the most politically relevant indicators are included. This report does not provide a final answer to the question which indicators are the most relevant, but it offers criteria to determine the relevance of indicators.

Meaningful SDG indicators:

- Focus on the issues where we face the biggest sustainability challenges (rather than on easy wins).
- Pay attention to problems that affect a lot of people inside and beyond the EU.
- Measure the EU's negative impact on the global commons and monitor negative spillover effects and externalities of European policies and practices in the world.
- Are valid, i.e. they are able to actually measure what they claim to measure (rather than creating illusions of sustainability).
- Are specific and time-bound by being linked to EU-wide targets (instead of trying to measure progress without clear goals set).
- Make use of disaggregated data to monitor progress for different parts of society to ensure that no one is left behind by the policy responses adopted.
- Are selected and reviewed with meaningful involvement of civil society and the research community.
- Should also be obtained from sources other than statistical offices when data provided by civil society and research is able to close important gaps in SDG monitoring.

The EU's current SDG monitoring and reporting system is not fit for purpose. Beyond the need for better indicators, a more meaningful process is needed to create a strong basis for progressive policies that can ensure progress towards the Goals and to hold decision-makers to account. The overall lack of leadership on the SDGs at the top political level does not only hinder policy coordination around the SDGs, but it also undermines effective monitoring. The absence of an overarching Sustainable Development Strategy for the EU results in the lack of concrete targets to report progress against. There is no structural involvement of civil society or other crucial stakeholders, such as the European Parliament, to allow for a critical discussion of our level of sustainability.

The report argues that the EU needs to set up an inclusive, participatory and transparent SDG monitoring process that works for all. This includes:

- Creating a framework for SDG implementation in the EU by means of a new, overarching Sustainable Development Strategy which contains clear, measurable and time-bound EU-wide targets for all SDGs to report against, the implementation of which is overseen by the top political level;
- Establishing meaningful stakeholder engagement mechanisms via a new advisory body, an "SDG Forum", to play an important role in the whole SDG monitoring and reporting process, and in particular in the selection and review of indicators, data and the continuous improvement of the assessment method;
- Placing the SDGs at the core of the European Semester cycle with 5 to 10 headline indicators that address the EU's main sustainability challenges and ensure a clear role for civil society in Member States to contribute to the European Semester cycle;
- Putting in place an annual and multi-annual SDG monitoring and reporting cycle with clear roles for the European institutions, in particular the European Parliament, the new SDG Forum and wider civil society, including regular "Voluntary Regional Reviews" (VRR) for the European Commission to present at the UN High-Level Political Forum (HLPF) with participation from European civil society.

We need the right progress indicators and a meaningful SDG monitoring system to help us accelerate action for the SDGs at a time when their realisation is at risk. Like an X-ray displaying illness, the COVID-19 pandemic has exposed the ugly consequences of existing socio-economic, civil and environmental inequalities, together with the triple environmental crises of climate breakdown, biodiversity loss and pollution across nation states in all regions of the world. The pandemic and the immediate measures taken in response exacerbate existing inequalities in the EU. The most vulnerable are hit hardest by the social and economic fallout: women, young people, older people, persons with disabilities, refugees.

The pandemic is a wake-up call for change. We need to boldly address the deep inequalities that persist in the EU and beyond with policies focusing on strong social protection, a robust health care system, a resilient, low-carbon wellbeing economy and ambitious policies to tackle the climate, biodiversity and pollution crises for a healthy environment and planet. The EU needs to invest in the well-being of all people, across the life course and in all their diversity, and we need to put in place a genuine global partnership for sustainable development. More and more people now see tackling inequalities and climate change as urgent priorities, together with wealth redistribution and basic income, the reduction of corporate power, stronger workers' rights, the de-privatisation of strategic companies and an end to austerity. Research across countries has found that many governments are starting to consider bolder policies such as basic income, moratoria on debts and rent, conditionality on corporate bailouts, climate action based on science and wealth or solidarity taxes. People in the EU and around the world want change now.

SDG Watch Europe makes 10 key demands for the EU to build back better and to insure the ambitious implementation of the SDGs by 2030:

- Our system is the problem we need a paradigm shift.
- Make the SDGs and the Paris Agreement the guidelines to resolve the crisis.
- Strengthen the social protection system and make it accessible for all.
- Lead the way to a socially and ecologically sustainable economic system with revised, green budgets.
- Link economic recovery to clear conditions and say no to bailouts for polluters and no to tax havens.
- Implement immediate debt cancellation and stop unjust austerity measures.
- Fight all other crises, too.
- Protect our democracies, human and civic rights.
- Ensure transparency of political decisions on COVID-19 and beyond, as well as full inclusion and participation of civil society.
- Show transformative global action against poverty and hunger.

As it examines each of the 17 SDGs, the report highlights some of the biggest sustainability challenges that we are facing in the EU. These are illustrated by **17 testimonies** from **17 people responding to sustainability challenges:** exploited workers providing Europe with products and services and people suffering from environmental degradation or the lack of bold political responses to today's challenges. Their stories show how the Goals are interlinked in a myriad of ways: how sustainable farming connects with gender equality and decent work; how safeguarding peace is linked to our economic practices and how innovation and infrastructure impact equal access to education.

Solutions to our sustainability challenges are available. What they need is strong political backing, a regulatory framework making sustainable solutions the norm and increased financial support. We present **our vision based on the**Manifesto for a Sustainable Europe for Its Citizens.²
We make suggestions for better indicators for each SDG based on our members' work and taking inspiration from 2030Watch, a participatory initiative from Germany. 17 exemplary solutions oriented towards the inclusion of those most left behind and genuine respect for the planet's ecological boundaries inspire action:

- Courageous community-led initiatives and projects guided by sustainability principles.
- Innovative and bold policies that strive to change fundamentally how we live.
- Truly sustainable business models that enable the economic transition.
- Governance models that enable civil society to fulfil a meaningful role.

This is the EU's chance to reach for the moon.
The time to act is now.