## Inquiry into the United Nations Sustainable Development Goals Submission from Professor John Thwaites Chair Monash Sustainable Development Institute

## Introduction

I am a Professorial Fellow, Monash University, and Chair of the *Monash Sustainable Development Institute (MSDI) and ClimateWorks Australia.* The Sustainable Development Goals (SDG) are a key driver of research, education and engagement at MSDI.

I am a Co-Chair of the Leadership Council of the UN Sustainable Development Solutions Network ("SDSN") launched by the Secretary General of the United Nations to provide expert advice and support to the development and implementation of the SDG. I am chair of SDSN Australia Pacific, which has 30 university and knowledge institution members in Australia, New Zealand and the Pacific who are committed to promoting and implementing the SDG.

I am the Chair of Melbourne Water, which manages Melbourne's water supply and sewage and which is, together with some other water authorities seeking to play a leading role in implementing the SDG.

In 2008-2010 I was an adviser to the Timor Leste Government in developing an Infrastructure plan for Timor Leste. This project, funded by AusAID, demonstrated to me the practical importance of globally agreed goals, in this case the Millennium Development Goals, in the planning and implementation of infrastructure in a developing country.

I also base my submission on my experience in government as Deputy Premier of Victoria from 1999 to 2007 when I held a number of relevant portfolios including Health, Planning, Victorian Communities, Water, Environment and Climate Change.

I have co-authored the Getting Started with the SDGs in Universities Guide and a number of media articles about the SDGs (attached).

# The understanding and awareness of the SDG across the Australian Government and in the wider Australian community

The understanding and awareness of the SDG is increasing across the Australian Government and in certain sectors of the Australian community. The Voluntary National Review process has provided a substantial boost to the visibility and role of the SDG across Australian Government departments. It will be important to maintain this visibility and status beyond the VNR this year.

SDSN Australia Pacific was one of the co-conveners of the Australian Sustainable Development Goals Summit 2018 together with ACFID, ACOSS, GCNA and UNAA. Participants from business, universities and civil society at the Summit expressed strong support for implementation of the SDG but highlighted that we would need to make substantial changes from business as usual if Australia is to achieve the SDG targets domestically.

SDSN Australia Pacific has organized or co-organised workshops and Summits on the SDG involving government, business, civil society and academia in 2013, 2014, 2015, 2016 and 2018. It has also been involved in regional workshops on the SDG in Malaysia, Indonesia, and the Pacific. These workshops and Summits have brought together different sectors around the challenges of

sustainable development. They have demonstrated the role of the SDG in providing a common framework for considering development that brings together different sectors and perspectives.

In 2013 and 2014, SDSN and MSDI held national workshops to seek input into what sustainable development goals Australia should aim for. The output of these workshops and the regional workshops held in Malaysia and Indonesia, helped inform the scientific input to the United Nations Open Working Group on the SDG. In 2015 in the lead up to the agreement for the SDG at the United Nations, SDSN held workshops (including one jointly with Global Compact Network hosted by BHP Billiton) to help identify the different roles of government, business, civil society and academia in implementing the SDG. In 2016 and 2018, the SDSN has co-convened Australian SDG Summits and in April 2018, SDSN is co-hosting a roundtable with the Australian Mining Sector on the extractive sector and the SDGs.

SDSN Australia Pacific has helped establish SDSN Youth, a global network of young people who are helping to promote understanding and awareness of the SDG in more than 20 countries.

There is a reasonably good level of understanding and awareness of the SDG in major Australian businesses, universities, and leading civil society organisations. The Chief Executive Officers of 36 major Australian businesses signed a commitment to the SDG organised through the Global Compact Network Australia, which was launched at the 2016 SDG Summit. Major businesses are increasingly mapping their activities against the SDG. Ten University Vice Chancellors have signed a commitment to implement the SDG in their university research, education and operations.

Monash University has committed to the SDG in its ESG (Environment, Social and Governance) Statement, which will also guide the investments that Monash makes and ensure that its investment strategies contribute to sustainable development and a path to net zero carbon emissions. Leaders of civil society organisations have made a similar commitment to the SDG. Monash is also actively working to develop integrated SDG solutions, such as via its Revitalising Informal Settlements and their Environments (RISE) Project, which delivers innovative water and sanitation technologies to improve human and environmental health.

The SDG are beginning to be used by state and local governments as a benchmarking and planning tool. For example the SDG are referenced in the Victorian Government Metropolitan Strategy, *Plan Melbourne* and Water Authorities like Melbourne Water and Yarra Valley Water are using the SDG to help guide their corporate planning and decision-making.

However there is little awareness of the SDG in small and medium sized businesses and in the general community. One of the outcomes of the 2018 SDG Summit was agreement about the need for a communication strategy for the SDG to increase awareness and understanding of the SDG in the general community.

Even in businesses that are committed to the SDG, there is a long way to go in effective implementation. Many businesses are now mapping their activities and impact against the SDG. But there is a lot of work to be done to identify common metrics for business SDG performance and to embed the SDG in mainstream strategic and business planning.

Australia has committed to SDG4.7 that by 2030, all learners acquire the knowledge and skills needed to promote sustainable development. The SDG and the collaborative problem solving skills needed to achieve them need to be incorporated in the curriculum of schools and universities.

# The potential costs, benefits and opportunities for Australia in the domestic implementation of the SDG

The SDG present a vision for a better future for Australia and the world.

The SDG work for Australia because they address the core challenges that we face such as booming population growth in our major cities, the jobs of the future, sustainable food production, climate change, environmental degradation, inequality, and the decline of trust in government and business. By setting agreed targets for 2030, the SDG help governments, businesses and the community focus on long-term issues that go beyond short-term political and business cycles.

The SDG are an acknowledgment that we all live in an interconnected world with shared goals. The SDGs provide an opportunity for Australia to improve health and wellbeing within our own country, while also promoting a sustainable path to prosperity within our region and beyond. They present the opportunity for a "win-win". The promotion of peace, prosperity and environmental sustainability in the developing countries in our region, will help secure Australia's own environmental and economic future.

I know from my experience in government (for example in managing water in Victoria in the Millennium drought) how important it is to have goals and targets to:

- Set benchmarks for government
- Mobilise the community
- Spur partnerships with business, academics and the community.

Transparent goals and targets help make government accountable to the public and drive action across the public sector. The SDG are already spurring partnerships between governments, business, academics and the community as seen at the SDG Summit 2018. Major businesses are beginning to benchmark themselves against the SDG and increasingly there will be an expectation that different levels of government will also be benchmarked against them.

The SDG are not only helpful in setting a common vision and set of goals and targets to aspire to, they are also provide a <u>process</u> for decision-making that explicitly references economic, social, environmental and governance factors. This can help improve the decision making process by broadening the scope of issues that decision makers reference and expanding the range of options that they consider. They can also assist policy makers to focus on longer-term issues that go beyond short term political and business cycles.

As well as benefits in national planning and implementation, the SDG can benefit state governments and local governments. For example, the Victorian Government's metropolitan plan for Melbourne, *Plan Melbourne*, states that its monitoring and reporting framework will inform investment decisions by government and also benchmark performance against the SDG.

The Victorian Government's *Water for Victoria* strategy references the SDG, and Melbourne Water as a state government owned water corporation identifies the SDG as having a number of opportunities and benefits including:

- mobilising all stakeholders around a common set of goals and targets
- encouraging an integrated approach to urban planning, design and infrastructure
- enabling Melbourne Water to be part of a global initiative that allows global benchmarking
- expanding the range of options considered in decision-making.

Melbourne Water has used the SDG framework to consider the costs and benefits of alternative capital works proposals. For example in considering whether to upgrade a sewer that was spilling into the Dandenong Creek environment, Melbourne Water looked at options that would best achieve SDG outcomes relating to health (SDG3), sustainable cities (SDG11), infrastructure (SDG9) and biodiversity (SDG15). This process led Melbourne Water to choose to expend funds on restoring the upstream creek and catchment and improving the ecology and amenity of the area rather than the traditional method of building a new sewer pipe.

The SDSN and MSDI have had a number of consultations with businesses that are considering the role of the SDG. Some of the potential opportunities for business with the SDG are that they:

- Will be globally influential in setting priorities and resource flows
- Help identify business opportunities and drive innovation.
- Build reputation with customers and staff
- Identify and avoid risks

The SDG open up growth opportunities for businesses that are able to advance progress on the goals. In turn this will provide new sustainable jobs of the future at a time when other jobs are disappearing. Examples of areas of opportunity include healthcare, education, and renewable energy. The Business and Sustainable Development Commission has identified that the SDG opens up \$12 trillion of market opportunities in just four of the goals: food and agriculture, cities, energy and materials and health and well-being. http://report.businesscommission.org/report

Investors such as superannuation funds are identifying that the SDG provide an opportunity to influence the companies they invest in to improve their ESG and financial performance.

For universities the SDG provide an integrated way to communicate and demonstrate impact of their research and create demand for SDG related education from young people wanting to make a meaningful contribution to society and the environment. The SDG provide a common framework for different sectors and help universities build inter-disciplinary partnerships.

## Governance structures and accountability measures at the national, state and local levels

The Australian Government alone cannot achieve the SDG. We need ways to coordinate government actions on the SDG with the actions in business and the broader community. We should be incorporating the SDGs in national planning processes, policies and strategies and ensuring that the general community is given a say in them and regularly informed about progress in implementation.

## The 2030 Agenda for Sustainable Development agreed at the United Nations states:

Targets are defined as aspirational and global, with each government setting its own national targets guided by the global level of ambition but taking into account national circumstances. Each government will also decide how these aspirational and global targets should be incorporated in national planning processes, policies and strategies. (clause 55)

The SDG will be of most benefit for Australia if there is a process to set agreed national targets for the SDG based on the global level of ambition and taking into account our national circumstances. These targets should then be incorporated in national planning processes and strategies and reported on as part of SDG reporting. The most benefit will come if there is a degree of common ownership in these targets across levels of government and from different sectors: business, academia and civil society.

The Australian Government and COAG have already set targets in key areas relevant to the SDG (e.g. Closing the Gap, National Energy Productivity Plan). These targets could be incorporated in SDG reporting and coordination processes. Given Australia's federal system of government, it is appropriate that the SDG be considered as part of the COAG process and that they be incorporated in the deliberations and reporting of Ministerial Councils. State and local governments should also consider the SDG as a global reporting framework for sustainable development and report on their contribution to achievement of the goals. State governments have a key role across most of the SDG and therefor it is vital that they be actively involved in SDG implementation.

The most comprehensive way to oversee implementation of the SDG would be to have a national SDG implementation plan agreed through COAG. This could incorporate other national strategies, which would have the additional benefit of better coordination of these strategies. Even if the Australian Government is not minded to have one national strategy, it needs to articulate the process by which it will implement the 2030 Agenda for the SDG. The 2030 Agenda commits Australia to *"work to implement the Agenda within our own country"* (clause 21) and *" government should decide how global targets should be incorporated in national planning processes."* (Clause 55). A number of countries have comprehensive sustainable development planning processes that incorporate the SDG (e.g Germany, Indonesia) and there is no evidence that <u>not</u> having a plan will lead to better outcomes for Australian citizens.

There is already good cooperation across business, civil society and academia on the SDG. Involving these non-government sectors and the community more generally in the ongoing discussion and monitoring of progress of the SDGs will be vital in order to implement the behavior changes needed to successfully achieve the goals. The 2030 Agenda states:

"We acknowledge the role of the diverse private sector,.. and that of civil society organizations and philanthropic organizations in the implementation of the new agenda." (clause 41)

"Governments and public institutions will also work closely on implementation with regional and local authorities, sub-regional institutions, international institutions, academia, philanthropic organizations, volunteer groups and others." (clause 45)

A way to advance this cooperation would be to support a community-based secretariat for community and business responses to the SDG. The cross-sectoral group of organizations that supported the 2018 SDG Summit could coordinate this.

## How can performance against the SDG be monitored and communicated

If Australia is to share the benefits of the SDG, we need to track our progress in implementing them.

Government departments and agencies and the Australian Bureau of Statistics have a key role in monitoring and reporting progress in implementation of the SDG. Reporting needs to be transparent and regular and not limited to the VNR. State and local governments should also report against the SDG as a globally recognised framework to drive sustainable development to 2030.

However there also needs to be some monitoring and reporting of progress that is independent of government in order to promote community engagement and trust and to provide independent insights into Australia's progress.

The National Sustainable Development Council has been formed to compile data and evidence on Australia's progress towards achieving the SDG. It is preparing a baseline report on Australia's current performance on relevant SDG targets and indicators. As well as reporting data on selected targets, the Council is identifying trends and cross-cutting themes to explain Australia's progress or lack of it against SDG targets. In some cases the Council is identifying existing national targets or appropriate benchmarks to report against. A key underlying principle of the 2030 Agenda is "leave no one behind" and the Council is identifying particular areas of disadvantage for most of the goals.

I chair the Council, which is made up of experts across the business, civil society and academic sectors. It builds on the work of the National Sustainability Council, which produced the Sustainable Australia Report 2013. (see attachments)

The Council is producing an online report, which is in draft form now and will be refined after consultation in coming months. <u>https://www.sdgtransformingaustralia.com</u>

Australia's progress on the SDG should also be benchmarked against other countries including comparable OECD countries. This is a good way to inform Australians about where we are standing in the world and potential areas of improvement. The SDSN has co-authored a global index and dashboard of SDG performance: <u>http://www.sdgindex.org</u> Australia is ranked 26<sup>th</sup> globally in the SDG Index with strong performance in economic, health and education goals but weaker performance in the energy, climate and environmental goals.

Implementing the SDG will require new knowledge, new ways of doing things and hard choices between competing options. University research, data analysis and modeling can play an important part in establishing the evidence base to make these decisions.

## Attachments

Getting Started with the SDGs in Universities http://ap-unsdsn.org/wp-content/uploads/2017/08/University-SDG-Guide\_web.pdf

## The Age/Brisbane Times

UN Goals - Our cities hold the key to a sustainable future

## **The Conversation**

Explainer: the world's new sustainable development goals Sustainable Development Goals: a win win for Australia

## **The Guardian**

https://www.theguardian.com/sustainable-business/2016/jul/28/australia-can-do-much-betterthan-a-rank-of-20-on-sustainable-development-goals

## Sustainable Australia Report 2013

http://sustainability.edu.au/material/teaching-materials/sustainable-australia-report-2013-andaccompanying-resources/