Delivering the Sustainable Development Goals (SDGs) at the Grassroots Level
Georgetown Leadership Seminar
Wednesday October 25th at 12:30 PM

➢ Global Context:
  ✔ Prospects and Challenges

➢ The 2030 Agenda and the SDGs:
  ✔ An Opportunity for Transformation

➢ Solutions:
  ✔ What to Avoid and What to Pursue

➢ Role of the WBG
  ✔ Data, finance, and implementation

➢ Implementation Happens at the Local Level
Global Context:
Prospects and Challenges
Global Context

GDP Growth (Percent)

Source: World Bank, 2017
Addressing Global Megatrends & Challenges

- Economic diversification; 600 million new jobs (SDG#8)
- Sustainable Health & welfare system (SDG#3)
- Urban management (SDG#11)
- Private expertise/funding for infrastructure/urban services (SDG#11; SDG#9; SDG#17)
- Shift from fossil fuels to renewables/efficiency (SDG#7)
- Agriculture adaptation (SDG#2)
- Shocks and risks preparedness (SDG#13)
- Protecting vulnerable from fragility & violence (SDG#1; SDG#16)
- New sources of growth and trade, especially for commodity exporters (SDG#9)
Reflections on the new global economy: multipolarity

The world’s economic center of gravity, 1980-2016, in black, at three-year intervals

Source: Danny Quah, 2011
Reflections on the new global economy: multipolarity

Evolution of the earth’s economic center of gravity
1 CE to 2025

Source: McKinsey Global Institute, 2012
Reflections on the new global economy: multipolarity

Channels of growth spillovers from a growth pole

Source: World Bank staff calculations. Note: Arrows point to direction of flow, whereby growth from a pole can influence growth elsewhere, while annotations indicate the specific growth stimuli transferred to the beneficiary of the pole.
The 2030 Agenda and the SDGs: An Opportunity for Transformation
Looking Back: MDG Progress

By number of countries

MDG 1.1 - Extreme Poverty
- Target Met: 71
- Sufficient Progress: 11
- Insufficient Progress: 7
- Moderately Off Target: 2
- Seriously Off Target: 27
- Insufficient Data: 27

MDG 1.9 Under-nourishment
- Target Met: 35
- Sufficient Progress: 8
- Insufficient Progress: 4
- Moderately Off Target: 13
- Seriously Off Target: 52
- Insufficient Data: 33

MDG 2.1 - Primary Completion
- Target Met: 40
- Sufficient Progress: 12
- Insufficient Progress: 11
- Moderately Off Target: 17
- Seriously Off Target: 40
- Insufficient Data: 25

MDG 3.1 - Education Gender Parity
- Target Met: 67
- Sufficient Progress: 10
- Insufficient Progress: 7
- Moderately Off Target: 11
- Seriously Off Target: 28
- Insufficient Data: 22

MDG 4.1 - Under-5 Mortality
- Target Met: 38
- Sufficient Progress: 18
- Insufficient Progress: 16
- Moderately Off Target: 37
- Seriously Off Target: 34
- Insufficient Data: 2

MDG 4.2 - Infant Mortality
- Target Met: 6
- Sufficient Progress: 9
- Insufficient Progress: 23
- Moderately Off Target: 28
- Seriously Off Target: 77
- Insufficient Data: 2

MDG 5.1 - Maternal Mortality
- Target Met: 15
- Sufficient Progress: 3
- Insufficient Progress: 11
- Moderately Off Target: 20
- Seriously Off Target: 88
- Insufficient Data: 8

MDG 7.8 - Improved Water
- Target Met: 67
- Sufficient Progress: 52
- Insufficient Progress: 12
- Moderately Off Target: 40
- Seriously Off Target: 19
- Insufficient Data: 19

MDG 7.9 - Improved Sanitation
- Target Met: 36
- Sufficient Progress: 7
- Insufficient Progress: 14
- Moderately Off Target: 58
- Seriously Off Target: 23
- Insufficient Data: 23

Source: World Bank data, staff calculations
Progress on the MDGs
Share Of Global Poverty

1990

Global poverty: 1.96 billion
37.1% of global population

East Asia and Pacific: 30%
Europe and Central Asia: 15%
Latin America and the Caribbean: 15%
Sub-Saharan Africa: 4%

2015

Global poverty: 702 million
9.6% of global population

Europe and Central Asia: 50%
East Asia and Pacific: 12%
Latin America and the Caribbean: 4%
Sub-Saharan Africa: 33%
An Opportunity for Transformation: Lessons Learned from the Field

- Ensure the timeliness and effectiveness of policy instruments
- Increase efficient allocation of resources
- Recognize and identify interrelatedness of development goals at the onset
- Ensure strong government involvement
- Promote quality data
- Increase cross-institutional collaboration
- Prioritize engagement of communities and community mobilization
- Bridge the humanitarian and development agendas
- Localize

Based on report: “Transitioning from the MDGs to the SDGs” jointly written by the World Bank Group and the UN Development Programme
An Opportunity for Transformation: From MDGs to SDGs

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Goals</td>
<td>8</td>
<td>17</td>
</tr>
<tr>
<td>Targets</td>
<td>21</td>
<td>169</td>
</tr>
<tr>
<td>Indicators</td>
<td>60</td>
<td>~231</td>
</tr>
<tr>
<td>Priority Areas</td>
<td>Human Development</td>
<td>Holistic: Economic, Social, Environmental</td>
</tr>
<tr>
<td>Scope</td>
<td>Developing Countries</td>
<td>Universal</td>
</tr>
</tbody>
</table>

The global development agendas serve as a compass and guide for countries to determine their national development path.
An Opportunity for Transformation:
Solutions: What to Avoid and What to Pursue
Solutions:
Avoid bad ideas

- Dealing with joblessness by relying on the civil service;
- Cutting fiscal deficits by sacrificing public investment in infrastructure;
- Subsidizing energy except for very limited subsidies to highly vulnerable sections of the population;
- Open ended protection for specific sectors;
- Imposing administrative price controls;
- Banning exports;
- Underpaying civil servants compared to the private sector;
- Exchange rate misalignment;
- Resisting urbanization/underinvesting in infrastructure;
- Ignoring environmental implications;
- Poorly regulating the Banking sector and excessive interference;
- Measuring educational progress solely by higher enrollments and ignoring the quality of education
Solutions:
Increase domestic savings

Key drivers of domestic savings*

- Improve real income through increasing total factor productivity, labor efficiency, and maintaining price stability
- Reform public social security and commercial insurance systems
- Influence savings behavior; e.g. introduce savings certificates for all students and bank accts/digital savings accounts for all university or higher ed. students
  - Mobilize digital/biometric ID systems
  - Develop financial services, instruments, competition, and access

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*Gross domestic savings are calculated as GDP less final consumption expenditure (total consumption)
Solutions:
Take the SDGs seriously

**BETTER FINANCING**
- Domestic resource mobilization; leveraging private sector; addressing needs of regional and global public goods

**ADEQUATE DATA**
- Ensure availability of household budget surveys in 78 poorest countries every three years; data revolution; statistical capacity building

**EFFECTIVE IMPLEMENTATION**
- Provide integrated solutions and work across sectors/ministries
Role of the WBG: Data, Finance, and Implementation
Crucial to understand how trends are shifting
Without accurate and timely data, we don’t know where the needs are greatest and whether our interventions are even working.
Data:

Standardization is key

How do different countries define a city?

11c "Urban" areas range from 200 to 50,000 habitants
Minimum population threshold considered "urban" (number of countries)

- 200: 4
- 400: 1
- 500: 1
- 600: 1
- 1,000: 9
- 1,500: 6
- 2,000: 24
- 2,500: 12
- 3,000: 3
- 4,000: 2
- 5,000: 22
- 9,000: 1
- 10,000: 12
- 20,000: 3
- 30,000: 1
- 50,000: 1

Note: Circles show relative population sizes.
Data:

Standardization is key

What does “access to water” mean?

6c Under stricter definitions, fewer people have access to water
Share of population at each access level, according to latest dataset, by country (%)

- Improved water source
- Basic water
- Improved water on premises
- Safely managed water

a. Differs from the WDI indicator SH.H2O.SAFE.ZS, which is based on multiple surveys.
b. Improved water source, with no more than a 30-minute round-trip collection time.
c. Safely managed water access has not yet been assessed and is not shown but can be no greater than improved water on premises. Source: World Bank WASH Poverty Diagnostics 2016.
Data: 

The Role of the WBG

Three areas of work:
- Strengthening partnerships
- Producing data and cross-country indicators
- Fostering client country data production, dissemination, and use

Some specific examples of WBG support to countries include:
- Technical assistance on household survey programs
- Civil registration and Vital Statistics systems
- Earth observation data and geospatial mapping
- Identification for Development (ID4D) initiative
- World Development Indicators and SDG Atlas
## Financing the SDGs: The key components

<table>
<thead>
<tr>
<th>National public resources:</th>
<th>Improving domestic resource mobilization (DRM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global public resources:</td>
<td>Better and smarter aid</td>
</tr>
<tr>
<td>National and global private resources:</td>
<td>Unlocking private investment for development, Attracting FDI, Remittances, Philanthropic finance</td>
</tr>
</tbody>
</table>
Financing the SDGs: Private sector engagement is critical

Soaring Private Capital Flows, Flat Official Development Assistance

$ BILLIONS

FOREIGN DIRECT INVESTMENT

OFFICIAL DEVELOPMENT ASSISTANCE

Source: IFC Presentation to Center for Global Development, February 2017
Financing the SDGs: How much is out there?

- $2 TRILLION: Assets held by the world’s ten largest pension funds
- $4.5 TRILLION: Assets held by the world’s largest insurance companies
- $5 TRILLION: Assets held by the world’s largest sovereign wealth funds
- $100 TRILLION: Global bond market

Source: IFC, 2017
Financing the SDGs: Private sector engagement needs to increase

1. **Commercial Financing**
   - Can commercial financing be cost-effectively mobilized for sustainable investment? If not...

2. **Upstream Reforms & Market Failures**
   - Country and Sector Policies
   - Regulations and Pricing
   - Institutions and Capacity
   - Can upstream reforms be put in place to address market failures? If not...

3. **Public and Concessional Resources for Risk Instruments & Credit Enhancements**
   - Guarantees
   - First Loss
   - Can risk instruments & credit enhancements cost-effectively cover remaining risks? If not...

4. **Public & Concessional Financing, Including Sub-sovereign**
   - Public finance (incl. national development banks and domestic SWF)
   - MDBs and DFIs
   - Can development objectives be resolved with scarce public financing?
Implementing the SDGs: Invest in people, build resilience, and make growth inclusive

INVESTING IN PEOPLE

- Early childhood development
- Gender equality
- Skills for jobs
- Equal opportunities

INVESTING IN INCLUSIVE GROWTH

- Infrastructure
  - Roads
  - Energy
- Sustainable
  - Greening growth
  - Water management
- Private sector
  - Job creation

INVESTING IN RESILIENCE

- Fragility & Conflict
- Climate and weather shocks
- Pandemics

Sources: World Bank Group, 2017
Implementing the SDGs:
Opportunities for the private sector

12 largest business themes in a world economy heading for the SDGs

<table>
<thead>
<tr>
<th>Theme</th>
<th>Value of incremental opportunities in 2030 US$ billions: 2015 values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobility systems</td>
<td>2,020</td>
</tr>
<tr>
<td>New healthcare solutions</td>
<td>1,650</td>
</tr>
<tr>
<td>Energy efficiency</td>
<td>1,345</td>
</tr>
<tr>
<td>Clean energy</td>
<td>1,200</td>
</tr>
<tr>
<td>Affordable housing</td>
<td>1,080</td>
</tr>
<tr>
<td>Circular economy manufacturing</td>
<td>1,015</td>
</tr>
<tr>
<td>Healthy lifestyles</td>
<td>835</td>
</tr>
<tr>
<td>Food loss &amp; waste</td>
<td>685</td>
</tr>
<tr>
<td>Agricultural solutions</td>
<td>665</td>
</tr>
<tr>
<td>Forest ecosystem services</td>
<td>365</td>
</tr>
<tr>
<td>Urban infrastructure</td>
<td>355</td>
</tr>
<tr>
<td>Buildings solutions</td>
<td>345</td>
</tr>
<tr>
<td>Other</td>
<td>740</td>
</tr>
</tbody>
</table>

Implementing the SDGs: Opportunities for the private sector

The SDGs open up **US$12 trillion** of market opportunities in four economic systems:

- These economic systems represent around **60 percent** of the real economy and are critical to meeting the SDGs.

- To capture these opportunities in full, businesses need to **pursue social and environmental sustainability** as avidly as they pursue market share and shareholder value.

- If a critical mass of companies joins us in doing this now, they will become an unstoppable force.

- If they don’t, the costs and uncertainty of unsustainable development could swell until there is no viable world in which to do business.

*Source: Better Business Better World Report, January 2017*
Implementation Happens at the Local Level
Many provinces outsize entire countries

Number of provinces with a population over 5 million, by country

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of provinces</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>30</td>
</tr>
<tr>
<td>India</td>
<td>20</td>
</tr>
<tr>
<td>Nigeria</td>
<td>12</td>
</tr>
<tr>
<td>Indonesia</td>
<td>12</td>
</tr>
<tr>
<td>Brazil</td>
<td>12</td>
</tr>
<tr>
<td>Egypt</td>
<td>8</td>
</tr>
<tr>
<td>Mexico</td>
<td>8</td>
</tr>
<tr>
<td>DRC</td>
<td>8</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>7</td>
</tr>
<tr>
<td>Philippines</td>
<td>5</td>
</tr>
<tr>
<td>Myanmar</td>
<td>6</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>5</td>
</tr>
<tr>
<td>South Africa</td>
<td>5</td>
</tr>
<tr>
<td>Russia</td>
<td>4</td>
</tr>
<tr>
<td>Iran</td>
<td>3</td>
</tr>
<tr>
<td>Kenya</td>
<td>3</td>
</tr>
<tr>
<td>Nepal</td>
<td>3</td>
</tr>
<tr>
<td>Russia</td>
<td>3</td>
</tr>
<tr>
<td>Turkey</td>
<td>2</td>
</tr>
<tr>
<td>Colombia</td>
<td>2</td>
</tr>
<tr>
<td>Sudan</td>
<td>2</td>
</tr>
<tr>
<td>Mozambique</td>
<td>2</td>
</tr>
<tr>
<td>Vietnam</td>
<td>2</td>
</tr>
<tr>
<td>Korea</td>
<td>2</td>
</tr>
<tr>
<td>Malawi</td>
<td>2</td>
</tr>
</tbody>
</table>

Number of provinces with a population over 10 million, by country

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of provinces</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>27</td>
</tr>
<tr>
<td>India</td>
<td>20</td>
</tr>
<tr>
<td>Indonesia</td>
<td>5</td>
</tr>
<tr>
<td>Brazil</td>
<td>6</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>6</td>
</tr>
<tr>
<td>Philippines</td>
<td>3</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>3</td>
</tr>
<tr>
<td>Nigeria</td>
<td>2</td>
</tr>
<tr>
<td>Mexico</td>
<td>2</td>
</tr>
<tr>
<td>Congo</td>
<td>2</td>
</tr>
<tr>
<td>Russia</td>
<td>1</td>
</tr>
<tr>
<td>Iran</td>
<td>1</td>
</tr>
<tr>
<td>Kenya</td>
<td>1</td>
</tr>
<tr>
<td>Turkey</td>
<td>1</td>
</tr>
<tr>
<td>S. Africa</td>
<td>1</td>
</tr>
<tr>
<td>Egypt</td>
<td>1</td>
</tr>
</tbody>
</table>

78 countries have a population of under 5 million
181 provinces have a population of over 5 million
86 provinces have a population of over 10 million

Source: Data calculations from local government statistics
Revenue Sources For Local Governments

- **TAX**
  - Property, Motor, Sales, etc.

- **TOLLS**
  - Roads, Bridges, etc.

- **FEES**
  - Licensing, Facilities, Fines, etc.

- **INTEREST**
  - on bank deposits or other funds

- **CHARGES**
  - Bus Stations, Taxi Parks, etc.

- **RENT**
  - Land, Buildings, Vehicles, etc.

- **SURPLUSES**
  - from local commercial enterprises

Source: Municipal Finances Handbook: Managing Local Expenditures, Devas, Munawwar, and Simon
Sample Expenditure Plan

Expenses on Delegated Functions

1. Preschool Education
2. Primary and Secondary School
3. Health Care
4. Social Assistance and Poverty Alleviation
5. Public Order and Civil Protection
6. Other

Own Expenditures

1. Infrastructure and Public Services
2. Environment Protection, including waste
3. Social, Cultural, Recreational Expenditures
4. Local Economic Development
5. Social Housing
6. Urban Development
7. Civil Security
8. Transfers to Sub-local Government Entities
9. Subsidies, Grants, Equity, In-Kind
10. Loan Repayment
11. Interest Charges
12. Guarantees Called

Source: Municipal Finances Handbook: Managing Local Expenditures, Morrell and Kopanyi
Implementation requires a multi-stakeholder approach

The case of Colombia

Every SDG requires a multi-stakeholder approach; responsibilities are non-excludable

Source: Colombia’s Postconflict Implementation Plan, National Planning Department, March 2017
Colombia and the SDGs

Active national agendas determine actions related to at least 146 SDG targets - 86%

Source: Colombia’s HLPF presentation
Colombia and the SDGs

An Integrated Approach

**Peace Agreement**

- Comprehensive Rural Reform
- Political participation
- End of conflict
- Illicit drugs
- Victims of the Conflict

**SDG**

1. Health and Healthcare
2. Water and Sanitation
3. Education
4. Peace and Justice
5. Gender Equality
6. Transformation of Institutions
7. Peace and Security
8. Nature and Biodiversity
9. Infrastructure
10. Sustainable Communities
11. Economic Growth
12. Good Health and Well-being
13. Sustainable Cities
14. Peace and Justice
15. Life on Land
16. Peace and Justice

Source: Colombia’s HLPF presentation
Thank You

[Link to World Bank Group's SDGs page]

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