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## SDGs will not be met by 2030

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**T**he world will fall short of achieving the Sustainable Development Goals (SDGs) by the 2030 deadline, which is a setback for global climate efforts, says Jeffrey D Sachs, renowned economist and president of the United Nations Sustainable Development Solutions Network (UN-SDSN).

"The reasons that these goals are not being achieved are partly political, economic and geopolitical. All in all, this has not been the kind of cooperative, collaborative, global effort that it should have been. With [US President] Donald Trump in the picture, it won't be, because Trump will not put much focus at all on sustainability or climate," Sachs told ESG when he was in Kuala Lumpur last month for the Asean Workshop on Sustainable Development 2025.

The workshop was hosted by Sunway University, which is the Asia headquarters for the UN-SDSN Asia.

The UN's *Sustainable Development Goals Report 2024* said only 17% of the goals are on track to being met, with nearly half seeing minimal or moderate progress, while progress for more than a third of the SDGs have either stalled or has regressed.

On Jan 20, after assuming his role as US president, Trump signed an executive order to withdraw the country from the Paris Agreement again. This decision came amid record-breaking temperatures and wildfires in places such as California, which underscores the need for climate-resilient strategies, given the US' status as one of the world's largest carbon emitters.

Although some perceive the SDGs as a Western initiative, Sachs, who has been involved in the project since its inception, views them as a shared global aspiration. He notes, however, that achieving these goals requires significantly greater cooperation, especially from Western nations.

Established in 2015, the 17 SDGs and their 169 targets aim to improve human well-being, economic prosperity and environmental protection globally through a partnership between developed and developing nations.

"The US barely cooperates with anybody except on military issues. It's been very weak on diplomacy and has paid no attention to these goals," says Sachs.

"When it comes to Europe, it is a little bit different. Europe takes the goals more seriously but then it largely writes the objectives its own way."

Asean and the European Union (EU) have worked together on various initiatives to strengthen cooperation on climate action, disaster risk reduction and sustainable clean energy.

But its pushback against oil palm due to deforestation concerns, and regulations such as the EU Deforestation Regulation and Carbon Border Adjustment Mechanism are creating tension with developing nations.

"One of the things I have urged is EU-Asean diplomacy at a high level, which does not happen enough, so countries here are very concerned about the way Europe is writing the supply chain rules for Europe. Those should be negotiated together, and there should be a standing process for the EU and Asean working on these goals in a professional, mutually respectful and diplomatic way," Sachs says.

He is still optimistic, however, that Southeast Asia and East Asia will make progress in the areas of climate and sustainability despite the lack of global cooperation in tackling the climate crisis.

"Asean can look forward to a very significant advancement in sustainable development in the next generation if there is cooperation, planning and peace. To my mind, this region should be quite optimistic about what can be done and actually what will be done, whether [or not] Trump derails this agenda," he says.

### BRIDGING THE FINANCING GAP

According to the *UN Financing for Sustainable Development Report 2024*, UN member states' performance on the SDGs remains a long-term investment challenge.

According to the report, the financing gaps for sustainable development are widening. International organisations estimate that developing countries need an additional US\$4 trillion (RM17.8 trillion) in annual investment. With Trump's stance against foreign aid, this problem is likely to continue unaddressed.

This gap is exacerbated by the persistent financial divide, with developing nations paying roughly double the interest on their sovereign debt compared



JEFF SACHS, ORG

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with developed countries, Sachs points out. Consequently, many struggle to access affordable financing or find themselves in debt distress.

"The basic point is that probably another US\$2 trillion or US\$3 trillion should be flowing to developing countries for all of the investments for the SDGs, whether it's the energy sector or the digital sector or the education sector or the health sector," he adds.

"The problem is not that the amount is impossible to mobilise. The problem is that it does not flow to developing countries; it flows mainly to rich countries. And the reason is that the rich countries are given high investment-grade credit ratings and the poor countries are said to be risky investment prospects."

This, in turn, influences how bankers and bond markets allocate funds, favouring richer countries.

"This is a kind of economic illiteracy because the poor countries grow faster than the rich countries. They have better growth prospects. Mostly, they have to borrow in dollars, and since they do not own the Federal Reserve, they can get into liquidity crises much more easily than the US," he says.

"The International Monetary Fund and the World Bank have not fixed these problems because the IMF and the World Bank have been under the control of US politics, rather than being true international institutions. These are the things that have to change in the global political system to make the whole world economy work more fairly."

Progress on sustainability is achievable even without a complete global overhaul. For example, Asean nations could improve access to affordable, long-term capital through initiatives within the Asean framework, says Sachs.

"In other words, you could do things to improve the financing for the 700 million people of the 10 Asean countries, even without the US or Europe having any particular say or influence in the reforms of the financial structure within the Asean countries."

Floating solar panels in China. Global climate efforts will be hampered by the lack of global cooperation on addressing the climate crisis.

