Statement delivered by Jan-Gustav Strandenaes - 22 Feb. 23

Good morning, good afternoon and good evening, wherever you are on this planet.

We are now, in 2023 half-way through to 2030, which in seven and-a-half years will be an important year for reflection and analysis.

We are also halfway through analysing and discussing the SDGs in our series on the SDG Countdown to the September Summit this year. With today's SDG pair, we have discussed eight of the 17 SDGs.

We are now focussing on SDG 7 and SDG 8 and have outlined a number of the challenges that relate to these SDGs in a concept note, available to all. The label for SDG 7 which is stamped across the logo, is simply: "Affordable and clean energy." SDG 8 is attributed to "Decent work and Economic Growth". These are abbreviated texts, and we always remind our participants of the full titles of each SDG, as abbreviations always miss out on important messages: SDG 7 is about to: "Ensure access to affordable, reliable, sustainable and modern energy for all", and SDG 8 deals with "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all." And as we all know, and must remember, each of the SDGs is enriched with a number of targets and indicators. In the case of SDG 7, there are 5 targets and 11 indicators. SDG 8 is fitted with 12 targets and 29 indicators.

The two SDGs are proof of the interlinked nature of all SDGs. Take accessible energy and relate it to SDG 2 on hunger and agriculture - without energy nothing moves, and no food can be tilled; No matter how simple or how complicated, no food can be prepared transported, or consumed without energy. Badly managed energy production and consumption will affect SDG 1 on reducing poverty, it will affect SDG 3 on health, SDG 13 on climate, SDG 9 on infrastructure, and it goes to the heart of SDG 8 on economic growth.

While energy obviously has been a driver of development, we have turned a blind eye to the negative consequences of the energy industry. Our national and global energy policies have for too long been dramatically short sighted. We have harnessed energy cheaply and must now pay dearly. The fossil fuel based economies have caused and are causing enormous expenses, damaging the environment almost beyond repair, with side effects on human and animal health, contributing to growing social divides and still driving growing gaps between the haves and the have nots, and even straining the economy of all countries.

There are dire health consequences from burning of fossil-fuels, more than meets the eye. Pneumonia, allergies, stunted growth of children, heart attacks, cancer, brain damage and more can be traced back to fossil fuel emissions.

A recent article from the North American research organisation NRDC states that scientists have known for years about the deadly impacts of fossil fuel combustion, but a new peer-reviewed study published in <u>Environmental Research</u> puts the global death toll at more than twice that of previous estimates.

News that air pollution from fossil fuels kills one in five people is sobering to say the least.

The health costs of energy production based on fossil fuels are also staggering. The economic and health costs of air pollution from burning fossil fuels totalled nearly 3 trillion US dollars in 2018, representing about 3.3 percent of the global GDP, or about 8 billion US dollars per day. With this sum, according to one of the estimates, we would be able to finance the implementation of the entire 2030 Agenda with each of the 17 SDGs.

It's difficult to grasp the amount of energy consumed worldwide.

83 percent of the energy we use comes from fossil fuels. For now, most of the increase in global energy consumption will be covered by burning more coal and gas. Since 2000, global energy consumption has increased by about a third and is projected to continue to grow in the foreseeable future. In a business as usual scenario, global energy consumption between 2000 to 2040, will have increased by 77 percent. Growing energy consumption makes the challenge of transitioning our energy systems away from fossil fuels towards low-carbon sources of energy more difficult. If this increased demand is not offset by improvements in energy efficiency and renewable energies, we are in deep trouble. The good sign in this context is that growth in demands seems to be slowing, averaging around 1% to 2% per year.

Renewable energy is on the rise but is developing too slowly at the moment.

Allowing all people accessible and affordable energy will be one of the largest challenges in the years to come, and we must combine energy supplies with solidarity for all.

The 2030 Agenda is today an incubator for out-of-the box thinking. An underestimated consequence of the 2030 Agenda and the SDGs is that it has created and added value to areas which twenty years ago were not recognised, be that by industrialists, investors or economists, or politicians for that matter.

Taking a serious look at discussions around SDG 8 on economic growth and employment, a revolution is taking place. Economists are facing new knowledge barriers - as one exasperated professor said to me once - how am I going to integrate the value of planetary boundaries in my lectures on economy, when I hardly understand what this is all about?

The SDGs have turned upside down old debates, not the least in economic theory and practice. Keynesian theories, solidly founded in a deep understanding of social contracts with decent employment for all, has long challenged New Management Theories with free access to unregulated markets. These are now facing ideas on Prosperity without Growth.

The 2030 Agenda focuses on this fundamental question already in the preambular text, when identifying Prosperity as one of five key values that the SDGs will rest on. The 193 UN Member States signing the 2030 Agenda committed back in 2015 to be "We are determined to ensure that all human beings can enjoy prosperous and fulfilling lives and that economic, social and technological progress occurs in harmony with nature."

In 2002 at the WSSD, I helped organise a side event on a growth-less economy. We were called naïve NGOs, and economists left the side event with a smirk on their face. In a debate at the UN in 2014, I was told by a respected representative from a foreign office

¹ https://climateandhealthalliance.org/wp-content/uploads/2022/07/Cradle-To-Grave-Fossil-Fuels-Brief.pdf

that the SDGs were not where serious international activities would be about in the future. How wrong these statements were.

Rumour has it that when UNEP initiated their programmes on green economy and the green bank initiatives prior to Rio+20 in 2012, the World Bank people were annoyed. We in civil society wondered back then if this was a clash of ideologies or a debate of traditionalist versus progressivists.

It was evident that those of a traditional approach to economy was challenged by trying to make sense out of involving nature into economic equations. Economic growth had seldomly been questioned as a goal and necessity for progress and development and most economists seemed wed to the idea that the GDP was an honest, correct and true measurement of development. After all, the well-fare states of the world were all based on this premise.

And now ideas challenging and changing traditional economic theories is a key element in SDG 8. Yes, we need growth, but what kind of growth is needed - and desired? What will the consequences be for decent employment if and when the economic system is changed. Will the one percent opulent and rich be persuaded to leave their greedy approach to economic development? Will we see a just distribution of wealth and finally eradicate poverty? While at the same time manage to take care of the environment. The three dimensions of sustainable development must support each other in a just way.

Times and understanding have changed rapidly over a few years and nations have begun to discuss how to understand and possibly integrate in their plans, ideas on circular economy, and let new understanding of just employment schemes and economies be elements in the social contracts.

In the Secretary General's report to the UN in 2021, named Our Common Agenda, Antonio Guterres have stated that: "Now is the time to correct a glaring blind spot in how we measure economic prosperity and progress. When profits come at the expense of people and our planet, we are left with an incomplete picture of the true cost of economic growth."

In this context, the United Nations System Chief Executives Board for Coordination (CEB) in November 2021 deliberated on measuring progress beyond GDP. Their considerations dealt with the following: "The simultaneous challenges with which the world is grappling (COVID-19, the climate, biodiversity, and pollution crises, extreme inequalities, shifting globalization dynamics, financial volatility and vulnerability, rapid digital transformation and the digital and data divides among others) have ignited a broad rethinking of business-as-usual practices in evaluating the wellbeing of people and planet."²

With legitimacy from the 2030 Agenda and the SDGs, a report called Beyond GDP and Valuing What Counts were produced and made available in the summer of 2022. Their ideas must be part of the discussion in the September Summit.

Sir Isaac Newton, the famous English scientist, active in the first half of the 18th century, once said, "If I have seen further, it is by standing on the shoulders of giants." In other words, Newton had realised that earlier work had enabled him to understand more. The 2030 Agenda and the SDGs all rest on work that has preceded it, work that began with a

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² https://unsceb.org/topics/beyond-gdp

new world order when the UN was founded in 1945, which led to global solidarity initiatives between a growing number of nations in the world, which slowly succeeded in decolonising the world, and at the same time afforded more people more rights, as through the Human Rights Covenants on social, economic and cultural rights adopted in 1966, then we got a focus on the environment in 1972, on sustainable development through - first Agenda 21 in 1992, then through Rio + 20 in 2012 and finally with the adoption of the 2030 Agenda in 2015. The 2030 Agenda rests on the shoulders of work that preceded it and represents a continuum of efforts to make lives better.

I would like to close my introduction with a quote from the Indian philosopher, Nobel Prize Literature Laureate and polymath. Mr. Rabindranath Tagore. He once wrote:

"I have become my own version of an optimist. If I can't make it through one door, I'll go through another door - or I'll make a door. Something terrific will come, no matter how dark the present."

And that is another way of understanding the 2030 Agenda and the SDGs. It is a door to a sustainable future. And that is the vision we must bring to the upcoming SDG Summit in September this year.

Thank you for your attention.

Jan-Gustav Strandenaes Knapstad, Norway, February 21, 2023