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Parliamentary Forum at the 2020 UN HLPF

The Big Reset: Learning from COVID-19 to Fast-Track the SDGs

Wednesday, 15 July, 9–10.40 a.m. EST
Interprefy videoconferencing platform

The Parliamentary Forum at the annual ministerial session of the UN High-level Political Forum on Sustainable Development (HLPF) took place virtually due to public safety measures related to the COVID-19 pandemic.

The meeting tracked the main theme of the HLPF session, namely accelerating the implementation of the Sustainable Development Goals (SDGs) at the dawn of the Decade of Action (2020–2030), with a focus on rethinking some of the fundamentals of sustainable development from a more people-centred perspective and in the light of the COVID-19 pandemic.

The meeting was organized by the Office of the Permanent Observer of the IPU to the United Nations in New York and was moderated by Senator Juan Carlos Romero (Argentina), President of the IPU Committee on United Nations Affairs. Some 140 members of parliament from all regions of the world participated.

Introduced by the President of the IPU, the following panel of parliamentarians and experts led the discussion (in speaking order): Mr. Lorenzo Fioramonti, MP, Chamber of Deputies of Italy; Dr. Kate Roll, Institute for Innovation and Public Purpose, University College London; Ms. Wafa Bani Mustafa, Vice-President of the IPU Committee on Sustainable Development, and MP, House of Representatives of Jordan; Ms. Nyaradzayi Gumbonzvanda, Chair of the Board, Action Aid International; and Mr. Mukhisa Kituyi, Secretary-General of UNCTAD.

Summary of the discussions

Opening the meeting, **IPU President Gabriela Cuevas Barron** noted that, at the current pace and without even considering the enormous damage of COVID-19, the SDGs were off track. She stressed the urgent need for parliamentarians to help keep the SDGs alive during the COVID-19 crisis and in such a way that their dual agenda of poverty eradication and a sustainable planet could still be realized by the deadline of 2030.

To do this, however, parliamentarians needed to rethink the overall approach to development in the light of three key lessons imparted by the current pandemic and governments' response to it: governments could be much more proactive in managing the economy, particularly when it came to supporting key public services such as health and education; economic policy needed to be much more people-centred, and with a stronger focus on human well-being, as opposed to

growth per se; nature must be factored into all economic decisions from the start, and not merely as an externality to be paid for eventually.

Ms. Cuevas further noted the central but often lacking role of parliamentary oversight in the implementation of the SDGs. The preliminary results of the 2020 IPU survey of parliamentary engagement in the Voluntary National Reviews (VNR) to the HLPF had shown that less than half of the 47 governments presenting VNR reports had bothered to inform parliaments of the process. Only about half of the parliaments had been able to provide input into the VNR reports and the quality of that input tended to be low.

At the same time, it was important for parliaments themselves to put their own house in order, beginning by making sure that they were fully representative of the people, including women, youth and the poor. More importantly, deep reforms of the political system were needed: “The SDGs cannot be a constant battlefield of ideas and ideologies – a zero sum game where my win is your loss. The SDGs require consensus building and this in turn requires a less polarized political environment.”

For **Mr. Lorenzo Fioramonti** (MP, Italy), the current pandemic was a wake-up call that parliamentarians everywhere needed to take seriously. Those governments that had invested more over the years in public goods and human well-being had responded better to the dual health and economic crisis brought about by the pandemic than those that were focused obsessively on achieving ever higher levels of economic growth. Mr. Fioramonti argued that, whereas policies for growth had a rightful place in post-war reconstruction, they were now proving futile in the face of multiple global sustainable development challenges. In developed countries especially, there was little correlation between growth and human well-being. COVID-19 revealed how, at the end of the day, there could be no market without individual and societal health. Our economies were set up for the financial gains of the few versus the social gains of the many. A better quality of life for all within a healthy planet would depend on rethinking the growth model and undoing the drivers of economic and social inequality.

Dr. Kate Roll (University College London) responded to the question on the programme that touched on the financialization of the global economy and its implications for development prospects. She stressed that the current crisis highlighted the need to reimagine the role of the State in more innovative, entrepreneurial ways, including through proactive regulation and industrial strategies. Public policies needed to push economic actors to take a long view and avoid the “short-termism” of quick profits for shareholders via extractive practices (e.g. low wage, precarious work) that did not add real value to the economy and society.

Dr. Roll suggested that investing in expanding mutual aid opportunities, access to green space and health care, as well as public infrastructure were key components of a much-needed green new deal. To deal with the existential threat and the economic costs of climate change, a dramatic decarbonization of the economy was needed, which would require huge investments and the management of related financial risks. This, in turn, would require more progressive taxation, new green finance tools (e.g. greening central bank lending), and rules to limit share buybacks and other unproductive business practices.

Addressing the first question on the programme, on scaling up resources for universal health care, social protection and environmental preservation, **Ms. Wafa Beni Mustafa** (MP, Jordan) sketched out the social and economic situation of the world with a few statistics: half of the world’s population lacked full health-care coverage services; only 29 per cent were covered under a national social security scheme that included a full range of benefits; and social

protection for children (25 per cent of the world's population) amounted to only 1.1 per cent of global GDP. For Ms. Mustafa, the SDG mantra of "leaving no one behind" was yet to be translated into real action on the ground. In the face of limited resources, governments needed to spend more smartly in assets such as health, education and the environment. There was a need for more solidarity and cooperation in terms of financial transfers to critical sectors within and between countries. Parliamentary oversight of budgets should be strengthened so that money was spent more effectively where the needs were greater. Part of this should involve being closer to constituencies, being more active in local communities, and listening more carefully to the people that parliamentarians were elected to represent.

Ms. Nyaradzayi Gumbonzvanda (Board Chair, Action Aid International) also spoke to the question of resource mobilization but from a civil society perspective. Reflecting on the COVID-induced health and economic crisis, and its particular impact on developing countries, Ms. Gumbonzvanda noted the urgency of instituting a new social contract between governments and their people, and urged parliamentarians to lead the way in that direction.

As part of this, governments needed to abandon the austerity policies of the past few decades and instead invest more in public services and public infrastructure that would at once improve human well-being and promote sustainable and inclusive economic development. Developing countries in particular needed more than mere debt standstills but actual debt cancellations. Everywhere there was a need for more progressive taxation to level the economic playing field and give all people access to basic services. Noting that climate change would impose ever increasing economic costs, not to mention social and human costs, Ms. Gumbonzvanda stressed the need for climate finance and the elimination of subsidies to the fossil fuel industry. She called on parliamentarians to lead inclusive public dialogues, including women, youth, indigenous people and others, on all these issues.

As the last presenter, **Mr. Mukhisa Kituyi**, Secretary-General of UNCTAD, spoke about the impact of COVID-19 on trade and investments as well as, more generally, on globalization. He noted that lockdowns and travel restrictions had caused a dramatic reduction in trade flows and foreign direct investments (FDI) as well as a major economic contraction in terms of global GDP. Some of these developments were coloured with the resurgence of nationalism in many countries, which did not bode well for the global economy.

On the other hand, the current situation may also lead to the restructuring of global value chains through national re-shoring, re-localization and regionalization of industry. Interest in national self-sufficiency as opposed to economic interdependence was growing. Countries that had yet to diversify their economies, remaining dependent on a few sectors such as tourism or commodities, were particularly affected by the economic downturn. Those shifts in the global economy would require careful management through multilateral cooperation.

Main points from the debate

The debate, consisting of twelve statements from the (virtual) floor, as well as comments received live through the chat, highlighted the following points:

- There is indeed a problem with the growth model that informs much of the current economic thinking worldwide. This model runs up against planetary boundaries that cannot be expanded to keep up with ever rising levels of production and consumption (mostly in developed economies). Parliamentarians need to go beyond theoretical

discussions to find practical ways to shift the economy toward a people-centred model for human well-being. This shift should be informed by the principle of *sufficiency* (i.e. making the most of what we have without always adding more), as opposed to the dominant principle of economic efficiency (i.e. making things with fewer inputs, more cheaply, etc.). It should also include institutionalizing new measures of progress to complement or replace GDP.

- While globalization is here to stay, clearly there is a need for a new way of thinking about it that starts at the local level, where people live and have real needs, and where solutions must fit those needs in the first instance. Rethinking globalization will require new forms of cooperation and solidarity at all levels.
- The global economic crisis associated with COVID-19 will likely not resolve quickly and will require huge investments to help people and businesses. Parliamentarians need to take advantage of this long moment to help devise a green new deal at least of the scale of the post-war Marshall Plan. Austerity policies that force deep cuts in health, education, infrastructure and environmental protection must come to an end, as they are self-defeating in both economic and human development terms. Innovative financing mechanisms and progressive tax reforms, as well as more effective use of existing resources, will be needed to support this.
- Conflict, with its attendant economic instability, remains a huge impediment to the realization of the SDGs. Lacking a viable infrastructure and resources for basic public services, conflict-stricken countries have also been most affected by the COVID-19 pandemic. The international community needs to be more engaged in conflict situations, most of which are within national borders, with a view to restoring the conditions for sustainable development.
- The parliamentary response to the SDGs needs greater coordination institutionally to make sure that the interrelated goals are advanced at the same time. Parliaments that have yet to review their internal structures and processes (e.g. committee structure, budget process, etc.) from an SDG perspective should be encouraged to do so as a matter of priority. Institutional reforms must aim in the first instance to improve oversight of national SDG plans, making sure that they are ambitious enough and commensurate with the real needs in each country. Another priority for parliamentarians is on the budget front, where more and better resources for development need to be mobilized and where allocations need to be targeted better to key sectors and vulnerable communities.

In closing the meeting, the moderator, Senator Romero, referred to some of the above points and thanked all participants for their contributions.