



Council of the
European Union

Brussels, 15 November 2023
(OR. en)

15128/23

LIMITE

DEVGEN 196
RELEX 1279
ACP 109
SUSTDEV 139
DIGIT 249
ENV 1250
CLIMA 540

'I/A' ITEM NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee (Part 2)/Council
Subject:	A social, green and digital transition - Draft Council conclusions

1. A priority of the Spanish Presidency in the field of development cooperation and international partnerships has been to push for a transition that is not only green and digital but also social, in order to achieve the SDGs, stressing that the social dimension will bring about new social contracts to reduce inequalities and social vulnerability through human development.
2. The Spanish Presidency presented a draft of Council conclusions to the Working Party on Development Cooperation and International Partnerships (WP CODEV-PI), who reached agreement at working party level on 15 November 2023.
3. In view of the above, the Permanent Representatives Committee is invited to confirm the agreement on the text as set out in the Annex to this note and to submit the text to the Council for approval.

DRAFT**Council conclusions on a social, green and digital transition**

1. The Council reaffirms the European Union's and its Member States' commitment to the 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs) as our collective, universal and indivisible roadmap to a sustainable and peaceful future. The Council further reaffirms the commitments contained in the Council conclusions of 27 June 2023 on the EU at the half-time of the implementation of the 2030 Agenda, as well as the political declaration of the 2023 SDG Summit. In this regard, the Council underlines the relevance of the first EU voluntary review, presented at the UN High-Level Political Forum on Sustainable Development on 19 July 2023, as a concrete expression of the EU's firm commitment to sustainable development both at home, as a main driver of EU action, and around the world, by supporting partner countries in their implementation efforts.
2. The Council recalls the New European Consensus on Development and highlights the EU's and its Member States' leading role in the coherent, comprehensive and effective implementation of all three dimensions of the 2030 Agenda – economic, social and environmental – in a balanced and integrated manner with respect for its guiding principles of participation, transparency, accountability and commitment to leaving no-one behind, anchored in a human-rights-based approach.
3. The Council underlines that sustainable development is currently hampered by an international context of profound uncertainty and new geopolitical dynamics. In a highly interconnected global society, the climate change crisis and ecological emergency are compounded by shocks and conflicts such as the COVID-19 pandemic and the Russian war of aggression against Ukraine, leading to destabilisation of the geopolitical landscape, aggravation of global challenges, and increasing fragility, with a noticeable impact in developing countries. The Council notes with concern the findings of the Global Sustainable Development Report¹ on the backsliding on the SDGs, as well as the setback in the Human Development Index, which distance the international community from the fulfilment of the 2030 Agenda, acting as deterrents to sustainable and inclusive transitions.

¹ <https://sdgs.un.org/gsdr/gsdr2023>

4. The Council recognises that, in the framework proposed by the 2030 Agenda, the green and digital transitions should foster structural changes needed to achieve the SDGs and the goals of the Paris Agreement on Climate Change and the Kunming-Montreal Global Biodiversity Framework. These transitions and their interlinkages have the potential to co-create sustainable, fair, inclusive and competitive international consumption and production models that are more human-centred, resource-efficient and environmentally friendly, promoting a circular economy and nature-based solutions, boosting connectivity, innovation and economic transformation. If transition policies are designed coherently across sectors, taking into account the interests of partner countries, as well as social considerations, free trade, entrepreneurship, and beneficial business development policies, these transitions have the capacity to generate formal, decent and high-quality jobs with high added value, as well as to promote equality, social inclusion and the eradication of poverty.
5. The Council particularly highlights that the increasing levels of poverty and inequality within and among countries pose a threat to sustainable development. They hinder long-term economic stability and green and inclusive growth, affect health, food and nutrition security, education, gender equality and empowerment of women and girls, damage social cohesion, undermine institutional legitimacy, and harm the environment. In addition, inequalities, poverty and social exclusion are important drivers of social unrest, political instability and conflict.
6. In order to leave no-one behind, leverage the benefits of the green and digital transitions, and render them just, sustainable, resilient, transformative and inclusive, a strong and positive social agenda should be enhanced and promoted in cooperation with partner countries. The Council stresses that this comprehensive approach, based on the social, green and digital transitions, reflects EU values, aims to strengthen the autonomy of partner countries and gives EU partnership added value.

7. This social agenda would notably entail strengthening policies in the areas of education, including Technical and Vocational Education and Training (TVET), health, decent work, social protection, and access to high-quality basic public services, notably Water, Sanitation and Hygiene (WASH), among others. It would be guided by the principles of a just transition framework for all, as well as the eradication of poverty and reduction of inequalities, promotion of gender equality and empowerment of women and girls, youth participation and empowerment and the inclusion of persons with disabilities. This social agenda would also be based on policy coherence, good governance and a human-rights-based approach, and address policies that recognise, reduce and redistribute unpaid care and reward and represent paid care work. The Council recalls the commitments established in the NDICI-GE Regulation to contribute at least 20 % of the official development assistance (ODA) funded under the instrument to social inclusion and human development and to have gender equality as a principal or a significant objective in at least 85 % of new actions implemented.
8. Reinforcing social cohesion and facilitating access to basic social services and social protection reduces poverty and inequalities and has the potential to promote new social contracts and social inclusion globally. It is therefore key to support the development of national social protection systems for all members of society, in order to promote social and economic opportunities for a just transition and to ensure no-one is left behind, as well as to support reforms leading to effective, accountable and transparent institutions, inclusive policies, good governance, the rule of law, and access to justice.
9. The Council stresses the importance of implementing SDG 10, 'Reduce inequality within and among countries'. The Council underlines that monitoring and reporting on inequalities is essential. In this respect the Council welcomes the European Commission's Inequality Marker (I-Marker) and the use of Distributional Impact Assessments. The Council also recommends the broadest application of the Inequality Marker, including in Team Europe Initiatives and with regard to the Global Gateway, and encourages Member States to use it. Additionally, the Council stresses the importance of Team Europe Initiatives on overcoming inequalities (Equality Flagships) and encourages the Commission to promote further initiatives in this area. It also reiterates the relevance of the Better Regulation agenda, including the regulatory impact assessments to reinforce Policy Coherence for Development.

10. The Council recalls that the EU is committed to promoting a human-rights-based approach, encompassing all human rights, be they civil, cultural, economic, political or social rights, at the core of all SDG-related initiatives. It emphasises that the realisation of human rights contributes to reducing poverty and inequalities and to the achievement of all SDGs. Respect for and protection and promotion of human rights, including labour rights, and democracy and the rule of law remains a priority.
11. The Council stresses the importance of implementing SDG 16, ‘Peace, justice and strong institutions’, as promoting peaceful, resilient, fair and inclusive societies, facilitating access to justice for all, and building effective, accountable and transparent institutions are pre-conditions for sustainable development. The Council recalls its conclusions of 19 May 2017 on operationalising the humanitarian-development nexus, which call for a ‘do no harm’ approach and stress the need to adopt a more context-specific and flexible approach to planning as regards development interventions in fragile and conflict-affected situations.
12. The Council reiterates its support for the Economy of Wellbeing² at the heart of the 2030 Agenda and for the Beyond Gross Domestic Product (GDP) Initiative. Both imply a non-linear and multidimensional concept of development that goes beyond purely economic parameters.
13. The Council reaffirms the EU’s strong commitment to an empowered civil society, including women’s rights organisations and feminist movements, organisations advocating for children’s rights and the rights of persons with disabilities, human rights defenders and social partners, as well as an enabling and accessible environment for civil society. It stresses the importance of support to partner countries in enhancing democratic processes, social dialogue and accountability systems. It emphasises the importance of supporting the capacity of civil society organisations (CSOs) to contribute to the achievement of the 2030 Agenda, as actors of good governance and development in their own right, as well as the participation of civil society in policy and decision making.

² Council conclusions on the Economy of Wellbeing (OJ 2019/C 400/09, ST 13432/19).

14. The Council stresses the importance of the development effectiveness agenda and highlights that the social, green and digital transitions require substantial and sustainable mobilisation of financial resources. In line with the Addis Ababa Action Agenda, the Council notes that:
- a. ODA, along with other financing sources, promotes long-term sustainable and inclusive growth and continues to be a highly relevant source of financing and expertise for partner countries. It is reliable and plays a catalytic role in transformative development processes and the achievement of the SDGs, enabling the mobilisation of national and international resources from public and private sources.
 - b. The EU supports partner countries to improve their public finance management (PFM), with a particular focus on Domestic Resource Mobilisation (DRM). It promotes a transformative approach to PFM that addresses the root causes of gender and disability inequalities, linking it closely to social protection policy design and implementation. Improving DRM requires both securing fiscal space and the establishment of efficient and progressive tax systems. In addition, domestic and international cooperation in the fight against tax evasion and illicit financial flows should be intensified.
 - c. It is essential that more private sector investments are made in support of the sustainable development of partner countries, as promoted by the Global Gateway strategy, always bearing in mind the principle of ownership. To attract private funding for long-term, high-quality, sustainable projects, it is also critical to invest in human development and capacity building, enhance stable national and international financial systems, promote sustainability-related financial instruments such as green bonds, ensure the interoperability of sustainable finance frameworks and standards, and ensure adequate EU regulatory frameworks and, when appropriate, de-risking mechanisms. Multilateral Development Banks (MDBs) and other development funds play an important role and are key for unlocking private finance to support the SDGs at scale.

15. The Council calls on the Commission, the High Representative and Member States, in accordance with their respective competences:
- a. to strengthen and enhance the visibility of the Team Europe response for human development in partner countries, in particular by promoting a joint narrative and organising high-level visits on the ground. This support should focus primarily on gender equality, women's and girls' enjoyment of human rights, youth and persons in vulnerable situations, such as those living in poverty, children and persons with disabilities, as well as those impacted by climate change;
 - b. to strengthen and enhance work with partner countries to ensure inclusive, representative, transparent and accountable public institutions at all levels that promote good governance and trust between citizens and their institutions to ensure local ownership, and to foster full, equal and meaningful participation of citizens and CSOs in decision-making processes. Sound economic policies and democratic and transparent institutions for domestic resource mobilisation and private investments are key in this regard;
 - c. to continue placing a strong focus on supporting partner countries in designing, improving and implementing inclusive, adaptive and universally accessible social protection systems and measures. These should include social protection floors that protect people and build resilience, incentivise sustainable and green decisions and investments and actively enable skills development and access to new decent employment opportunities;
 - d. to make full and effective use of all the instruments available to promote just transitions, including the UN Global Accelerator and the ILO Guidelines for a just transition towards environmentally sustainable economies and societies for all, following the Team Europe approach;
 - e. to mobilise the full potential of the European financial architecture to accelerate the implementation of the 2030 Agenda and to support vulnerable economies to lift their populations out of poverty while protecting the planet, as stated during the Paris summit for a new global financial pact.