

# SDGs: Challenges beyond financing

Despite increased funding, some states have seen a decline in Sustainable Development Goal scores

India has reported significant progress, as reflected in the SDG index, which ranks countries on their attainment of the United Nations Sustainable Development Goals (SDGs). For the country as a whole, the index has increased from 57 in 2018 to 71 in 2023-24. States, too, have reported clear improvements in performance across many goals. The average increase in the composite index across states between 2020-21 and 2023-24 is five units, with some states reporting an increase of up to eight units. The focus on the localisation of SDG implementation, with state and district indices, has fostered competition among various entities involved in policy formulation and service delivery.

To examine the progress made and the emerging challenges, figure 1 (*Number of goals achieved vs declined*) presents for individual states, the number of goals where the score exceeds 80 — an indicator of achievement — as well as the number of goals where the score has declined. Kerala and Uttarakhand report scores exceeding 80 per cent in eight goals each, followed by Andhra Pradesh, Karnataka, Tamil Nadu, Telangana and West Bengal with six goals each. On the flip side, some states have reported a decline in scores for certain goals. Considering a decline of more than 2 per cent, the available statistics show a few states experiencing a drop in scores for six goals. Punjab and West Bengal appear to be the only two states reporting steady improvements across goals.

Across goals, the moderation in performance is focused on Goal 1 (No poverty), Goal 5 (Gender inequality), Goal 10 (Reduced inequality) and Goal 16 (Peace, justice, and strong institutions). For each of these goals, nine or more states report a decline in score.

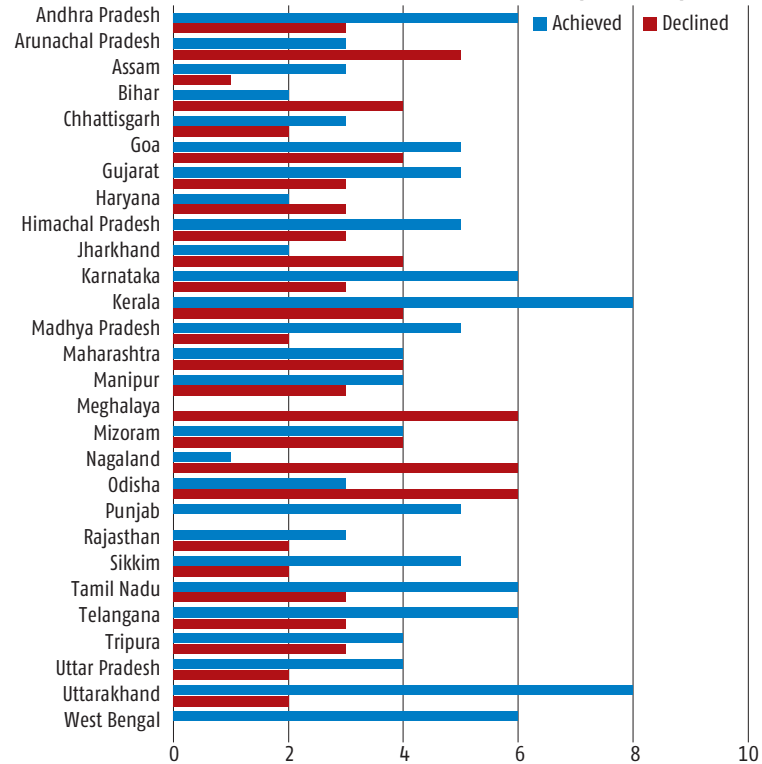
Given the focused attention of the Union and state governments on the

SDG framework, one assumes that both levels of government are making significant budgetary allocations towards progress on this front. However, one could ask whether these allocations are adequate. Is progress constrained by the limitations of fiscal space? Assessments of the resources required to achieve the SDGs in developing countries suggest a need for funds to the tune of \$4 trillion a year. It can be argued that India needs to spend more. More resources are always better. An alternative perspective can also be presented. Can one find a relation between expenditure levels and improvements in scores?

A few states have been providing an SDG budget as part of their Budget papers. Haryana has been providing estimates from 2018-19 onwards, with other states like Odisha and Meghalaya joining later. These documents provide insights into allocations and expenditures for various goals. Comparing progress on goals with cumulative allocations or expenditures before 2023-24 (Figure 2: *Spending vs goal progress*) reveals mixed results. For some goals, while significant allocations have been made, progress is not evident. For example, Odisha shows limited progress in Goal 4 (Quality education) and Goal 10 (Reduced inequality), Haryana in Goal 16 (Peace, justice, and strong institutions), and Meghalaya in Goal 1 (No poverty) and Goal 4. It can be argued that outcomes from expenditures might materialise with a lag, but this does not explain a decline in score. As shown in figure 1, these are not the only states that have reported a decline in scores.

Should these mismatches be attributed to challenges in measuring progress, or is there a need to return to the drawing board on how interventions are planned and implemented? Periodic and reliable data sources are

NUMBER OF GOALS ACHIEVED VS DECLINED (FIGURE 1)



R KAVITA RAO

SPENDING VS GOAL PROGRESS (FIGURE 2)

Goal	ODISHA		HARYANA		MEGHALAYA	
	Share in expenditure	Change in score	Share in expenditure	Change in score	Share in expenditure	Change in score
Goal 1	9.3	32	7.0	-2	12.8	-14
Goal 2	10.5	3	22.7	17	7.5	15
Goal 3	6.5	6	7.0	1	10.6	1
Goal 4	16.4	-5	15.5	13	19.2	-8
Goal 5	1.6	-7	5.2	3	0.3	7
Goal 6	8.5	2	6.9	0	6.2	5
Goal 7	1.8	4	10.0	0	5.0	12
Goal 8	3.2	27	8.9	10	1.5	-6
Goal 9	8.6	2	10.3	6	16.6	19
Goal 10	15.1	-2	10.5	5	0.3	-11
Goal 11	5.2	4	5.2	5	5.3	-9
Goal 12	1.0	12	1.2	-6	1.5	3
Goal 13	3.7	-6	1.4	9	1.6	18
Goal 14	0.2	-12	0.0	0	0.0	0
Goal 15	1.0	-7	0.8	17	2.0	7
Goal 16	7.5	3	12.2	-4	9.7	-6

Note: Cells coloured green represent high allocations and cells coloured red highlight goals where the score has dropped

critical for monitoring progress. It is understood that efforts for improving the statistical framework are being undertaken. These can contribute to capturing change more effectively, but may not be adequate to explain or eliminate the scope for reduction in scores.

The literature on SDGs have pointed out the possibility of trade-offs and

synergies between goals. Are we missing some of these crucial interactions between goals? It is tempting to make a case for a comprehensive modelling of these interactions to ensure the best value for public money spent.

The author is director, National Institute of Public Finance and Policy, New Delhi