Chapter

ECONOMIC POLICIES FOR DEVELOPMENT: CURRENT SITUATION AND FUTURE PROSPECTS

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ABSTRACT

The aim of this chapter is to analyze the European Union economic development policies regarding the Sustainable Development Goals, particularly those related to poverty (SDG1), employment (SDG8) and the role of business (SDG17). The United Nations 2030 Agenda set 17 Sustainable Development Goals that serve as guidelines for member state policies from 2015 to 2030. In the first section we will review/study the EU strategic development plans and their relation to the SDGs and then subsequently analyze their impact on the at-risk-of-poverty rate in relation to employment and training policies and the active role of business in this regard. We conclude with the achievements and prospects of the European Union. Our basis will be European regulations and EU evaluation and analysis mechanisms.

Keywords: Economic Policy, European Union, United Nations, SDG, Poverty, Employment, Business, 2030 Agenda.

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1. INTRODUCTION

In September 2015, the UN General Assembly adopted the 2030 Agenda (UNDP, 2015), a global plan of 17 Sustainable Development Goals (SDGs) and 169 targets to end poverty, combat climate change and reduce inequality. Within this framework for action, the European Union redesigned its strategies and policies around the priority axis of inclusive growth; directly affected by measures aimed at achieving the goal of poverty (SDG1: end poverty in all its forms everywhere) and those aimed at employment (SDG8: promote inclusive and sustainable economic growth, full productive employment and decent work for all). The private sector gains special importance as a generator of economic growth (SDG17: revitalize the global partnership for sustainable development).

In 2007, Europe had already begun to direct its efforts toward sustained growth. The European 2020 Strategy (European Commission, 2010, 10-11) was signed in 2010, which reformulated the Treaty of Lisbon agreements signed in 2007, and proposed intelligent, sustainable and inclusive growth based on knowledge and investment, promoting the efficient use of resources and favoring job creation, to progress in terms of social and territorial cohesion. To achieve this, five objectives directly related to the SDGs were set, as indicated below.

1.1. European Strategy: Objectives and Relationship with SDGs

Objective 1- Achieve 75% employment rate for the population aged 20 to 64. In line with the objectives set out in SDG8, the EU launched a series of policies aimed at improving the European labor market, attempting to solve significant disparities between the Member States (European Commission. 2016, p. 6). The guidelines for the employment policies of the Member States for 2015 (Official Journal of the European Union, 2015) emphasized the importance of employment policies as a matter of common concern which, due to their importance, would be coordinated within the Council addressing the past financial crisis and the various national practices related to the responsibilities of the social stakeholders. Before the global financial crisis, the EU employment rate between 20 and 64 years was 70.3% and by the first quarter of 2016 it had recovered and surpassed those levels, reaching 71.1%. The objective is still far from being met, but there is confidence in the impact of the measures.

Objective 2- Invest 3% GDP in R&D: This objective is closely related to SDG9 that proposes to build resilient infrastructures, promote sustainable industrialization and foster innovation. Along these lines, the EU Investment Plan focuses on infrastructure development and fostering research and innovation, for which a part of the European Structural and Investment Funds are assigned. We can highlight some mechanisms such as Connect Europe that funds transport, telecommunication and energy infrastructures, or the Framework Program for Research and Innovation (European Commission. 2016, p. 7) that has a generous budget for the financial injection of R&D and Innovation programs.

Objective 3- Reduce greenhouse gas emissions by 20% and increase the use of renewable energy in the same proportion: This objective connects with three SDGs, such as SDG7, which seeks to ensure access to affordable, reliable, sustainable and modern energy for all; SDG13, advocating urgent action to tackle climate change and its impacts; and SDG17, which advises that any program seeking success in terms of sustainable development needs to revitalize partnerships within the public and private sectors, and civil society. And yet, such alliances must be based on principles and values shared by all the stakeholders, which in turn would share common visions and goals that should be undertaken at the global, regional, national and local levels. This triple connection results in the EU initiatives package to accelerate progress toward clean energy (European Commission. 2016, p. 6), promoting energy transition policies, setting a minimum of 20% of the EU budget for climate protection and proposing methods of reducing greenhouse gases in every sector of the economy.

Objective 4- Reduce school dropout rates to 10% and increase the share of the population aged 30 to 34 having completed tertiary education to at least 40%: This is in line with SDG4, which seeks to ensure inclusive and equal education, following quality parameters, together with lifelong learning opportunities. The EU has concentrated its efforts on improving education and training through the Skills Agenda (European Commission. 2016, p. 5), which establishes criteria related to qualifications, digital abilities and skills, vocational training and education or activities for adult learning. This also includes the 2020 strategic framework for peer-to-peer learning and exchange or the Erasmus+ Program, aimed at student, staff and researcher mobility and improving educational systems.

Objective 5- Reduce the European population at risk of poverty or social exclusion by 20 million: Directly related to SDG1, and in accordance with the principle of subsidiarity, the EU is committed, among other objectives, to reducing the number of European citizens in situation or risk of poverty and social exclusion by 20 million.

1.2 The Juncker Plan

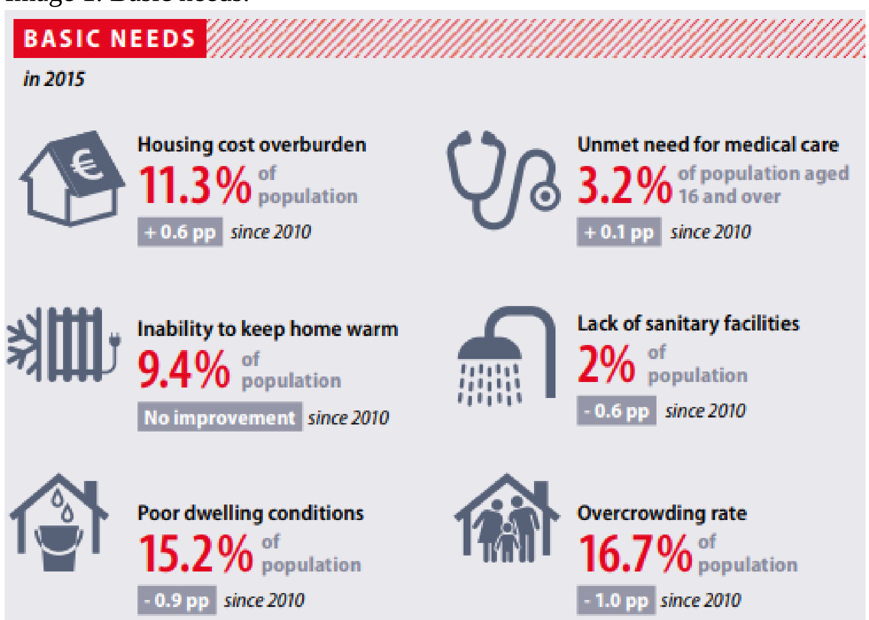
In addition to the five objectives of the Europe 2020 Strategy, the EU commitment to sustainable development should be considered a milestone as set out by the Investment Plan for Europe arising from President Juncker's political guidelines (Juncker, 2014, 4-12). Published in 2014, they describe the ten priorities of the European Union for 2015-2019, which bear many similarities to the SDGs. Thus Priority1 defends boosting investment and creating jobs, resulting in growth; Priority2 promulgates a digital single market; Priority3 promotes energy union with a cohesive and common policy on climate change; Priority4 defends a fairer internal market that reinforces its industrial base; Priority5 proposes a deeper and fairer economic and monetary union; Priority6 requests a reasonable free trade agreement with the United States; Priority7 petitions for mutual trust to create an area of justice and defense of fundamental rights; Priority8 requires a new immigration policy; Priority9 seeks to improve foreign policy; and Priority10 calls for a union of democratic change (Juncker, 2014, 3-10).

As a result of these guidelines, the Investment Plan for Europe was established, with a three-way objective: eliminate investment barriers, make investment projects visible and provide aid, and review how financial resources are used. To do this they rely on three pillars which are the European Fund for Strategic Investments, with the European Investment Bank as a strategic partner; the European Investment Advisory Hub, in connection with the European Investment Project Portal; and a third non-institutional pillar promulgating the elimination of national and regional regulatory obstacles to facilitate business investment.

2. Approach and progress of European economic development policy based on three strategic pillars: poverty, employment and business

Combating poverty is the central axis of the SDGs as a requisite for sustainable growth. "People live in a situation of poverty when their income and resources are so inadequate it prevents them from having a standard of living considered acceptable in the society in which they live. Due to their poverty, they suffer many disadvantages: unemployment, low income, inadequate housing, deficient health care and barriers to access lifelong learning, culture, sport and recreational activities. They are often excluded and marginalized from participating in activities (economic, social and cultural) that are normal for other people and their access to fundamental rights may be restricted." (European Commission, 2003, 9). This situation can be assumed for people who suffer a number of serious disadvantages and difficulties (Image 1), such as low income, unemployment, poor housing, deficient nutrition and inadequate health care and education. This results in the absence of suitable spaces for biological, intellectual, emotional and social development. Therefore, due to their marginality, people living in poverty tend to be excluded from public participation (European Commission, 2003, 9). Therefore it is important to pay attention to the at-risk-of-poverty rate in the European Union as a relevant fact on which to act.

Image 1. Basic needs.

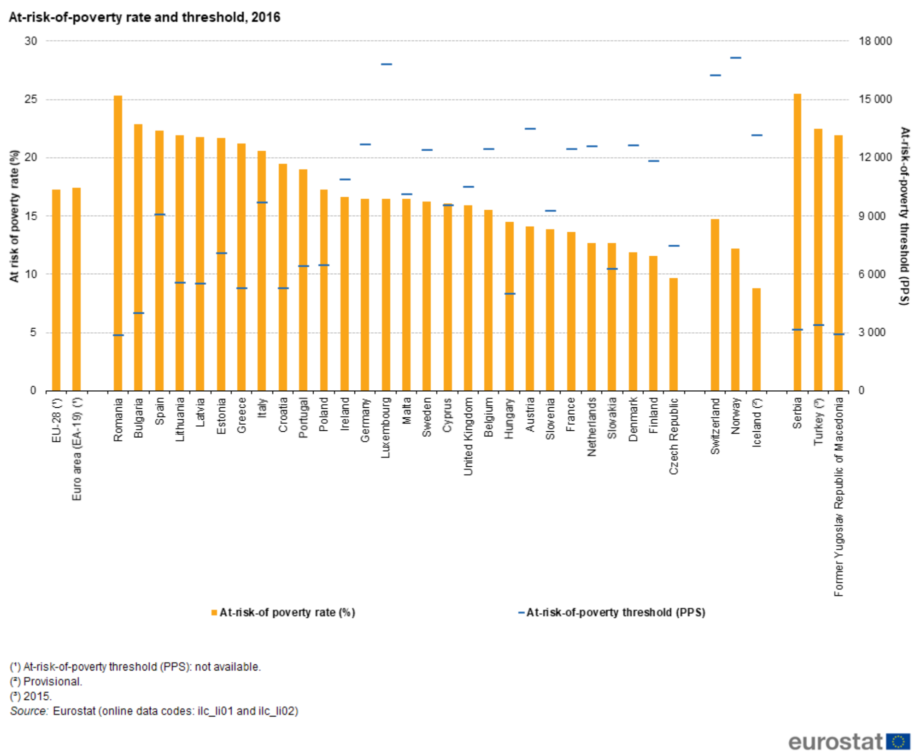


Source: European Union. 2017. "Sustainable Development in the European Union. Overview of progress toward the SDGs in an EU Context". Publications of the European Union, Luxembourg, p. 5

2.1. At-risk-of-poverty rate and threshold

The at-risk-of-poverty rate in the 28-state Europe (after social transfers) remained stable at 16.5% in 2010-2013, increasing in 2014-2016 to 17.3% (Eurostat, 2016) (At-risk-of-poverty rate and threshold, 2016 YB18.png). This at-risk-of-poverty rate shows significant differences between European countries (Figure 1). In eight Member States the poverty rate exceeds 20% of the population, such as in the case of Romania (25.3%), Bulgaria (22.9%), Spain (22.3%), Lithuania (21.9%), Latvia (21.8%), Estonia (21.7%), Greece (21.2%) and Italy (20.6%). At the other end of the spectrum, around 10% in countries like the Czech Republic (9.7%), Finland (11.6%) and Denmark (11.9%).

Figure 1. At-risk-of-poverty rate and threshold (2016)



Source: Eurostat. "At-risk-of-poverty rate and threshold (2016)" Accessed May 19. https://ec.europa.eu/eurostat/statistics-explained/images/3/3a/At-risk-of-poverty_rate_and_threshold%2C_2016_YB18.png

In Figure 1, the yellow bars indicate the at-risk-of-poverty rate and the blue dashes mark the at-risk-of-poverty threshold, showing that the at-risk-of-poverty rate is higher than the threshold in half the countries. This is because the rate is calculated using the GDP, which can conceal other non-tangible data.

It is essential to view the core unemployed population since this is the most vulnerable to poverty. In fact, these aspects seem directly associated considering the following table (Table 1), which shows how 48.6% of unemployed Europeans were living in poverty, with a particularly severe impact in countries such as Germany (70.5%), followed by Lithuania (60.5%).

Table 1. At-risk-of-poverty rate after social transfers by most frequent activity status (2016)

At-risk-of-poverty rate after social transfers by most frequent activity status, 2016
(%)

	Total population	Employed persons	Not employed	Unemployed	Retired	Other inactive persons
EU-28	16.5	9.6	24.0	48.6	13.8	28.9
Euro area (EA-19)	16.6	9.5	23.9	48.7	13.0	27.8
Belgium	14.9	4.7	24.5	45.9	13.3	33.3
Bulgaria	22.0	11.4	32.7	54.6	24.7	32.3
Czech Republic	8.6	3.8	14.7	52.2	8.1	14.5
Denmark	12.5	5.3	21.5	38.7	8.8	34.5
Germany	17.1	9.5	26.6	70.5	18.0	28.8
Estonia	22.4	9.6	41.4	54.8	45.0	32.3
Ireland	15.8	4.8	28.1	40.8	16.1	30.7
Greece	19.9	14.1	23.6	47.1	9.7	25.4
Spain	20.7	13.1	27.4	49.2	11.2	24.4
France	11.9	7.9	16.4	38.4	7.0	27.2
Croatia	19.3	5.6	29.3	43.6	21.8	32.3
Italy	19.4	11.7	25.5	45.8	12.8	28.8
Cyprus	15.7	8.2	23.7	37.2	19.8	19.4
Latvia	22.5	8.3	40.3	55.7	41.9	29.8
Lithuania	21.0	8.5	36.0	60.5	30.6	35.2
Luxembourg	14.9	12.0	18.5	44.8	8.0	23.1
Hungary	12.9	9.6	16.6	48.5	7.1	23.5
Malta	15.5	5.8	26.0	45.1	21.0	27.2
Netherlands	12.2	5.6	20.5	44.1	9.8	28.6
Austria	13.5	8.3	19.8	47.8	12.2	26.5
Poland	16.6	10.8	23.1	47.1	12.3	29.6
Portugal	18.2	10.9	25.4	42.0	16.0	31.2
Romania	22.3	18.9	26.2	50.2	15.9	41.8
Slovenia	14.3	6.1	22.6	44.8	16.9	21.0
Slovakia	10.9	6.5	16.8	47.6	6.0	19.8
Finland	12.3	3.1	21.1	37.2	12.0	28.8
Sweden	15.2	6.7	27.7	50.8	17.9	42.9
United Kingdom	15.1	8.6	24.9	46.1	18.4	30.9
Iceland	*8.4*	*6.5*	*14.3*	*27.1*	*9.9*	*15.2*
Norway	11.8	5.7	21.7	38.0	10.1	34.0
Switzerland	13.7	7.3	24.5	38.1	26.0	20.3
Former Yugoslav Republic of Macedonia	20.1	9.0	28.7	41.1	7.1	29.4
Serbia	24.4	12.6	30.9	48.0	15.4	34.7
Turkey (¹)	18.0	13.7	21.7	37.4	4.5	24.1

Note: for persons aged 18 or over.
(¹) 2015.
Source: Eurostat (online data code: ilc_li04)

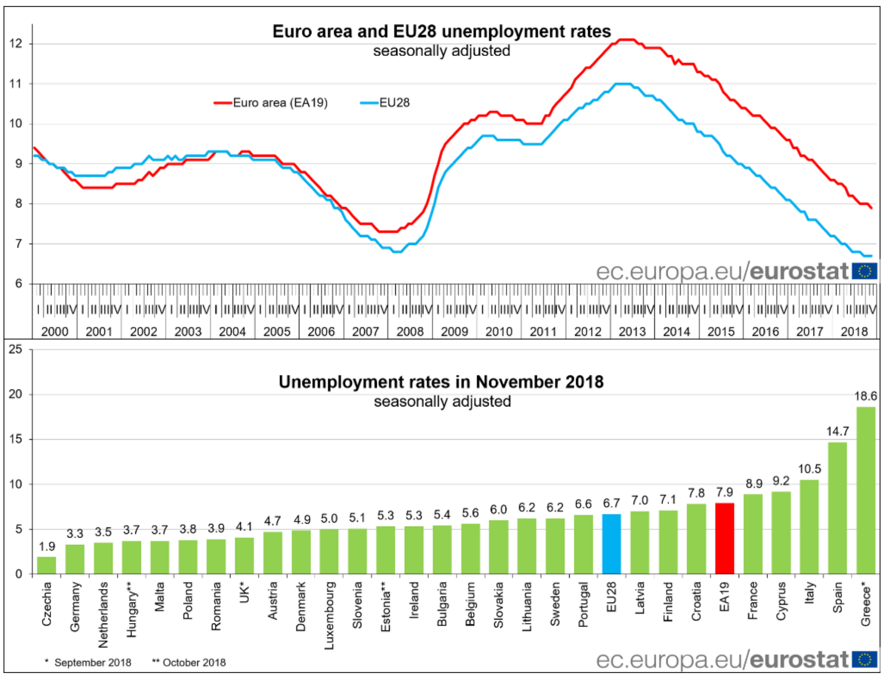
eurostat

Source: Eurostat. "At-risk-of-poverty rate after social transfers by most frequent activity status (2016)" Last modified May 19 https://ec.europa.eu/eurostat/statistics-explained/images/4/40/At-risk-of-poverty_rate_after_social_transfers_by_most_frequent_activity_status%2C_2016_%28%25%29_YB18.png

The first column indicates the total percentage of the population at risk of poverty, the second is the percentage of those employed, column three lists persons not employed and the fourth those who are unemployed (the difference is subtle: the 'not employed' are those who have stopped looking for work, placing them outside of public employability mechanisms), the fifth includes retirees and all other inactive persons are in the sixth column.

With almost identical data between the 28-state Europe (EU28) and the Eurozone (EA19), we observe that the risk of poverty is low in those who have a job (under 10%). Affecting 24% of not employed persons, nearly 49% of the unemployed, fewer than 14% of retirees and increases to almost 29% in the cases of other inactive persons. This indicates that there is a clear relationship between employment and the risk of poverty. Therefore, a policy that seeks to tackle poverty should be coupled with an effective employment policy. This being the case, we must pay attention to EU employment policies and their impact on the population.

Figure 2. Eurozone and EU28 unemployment rates. Unemployment rates in November 2018.



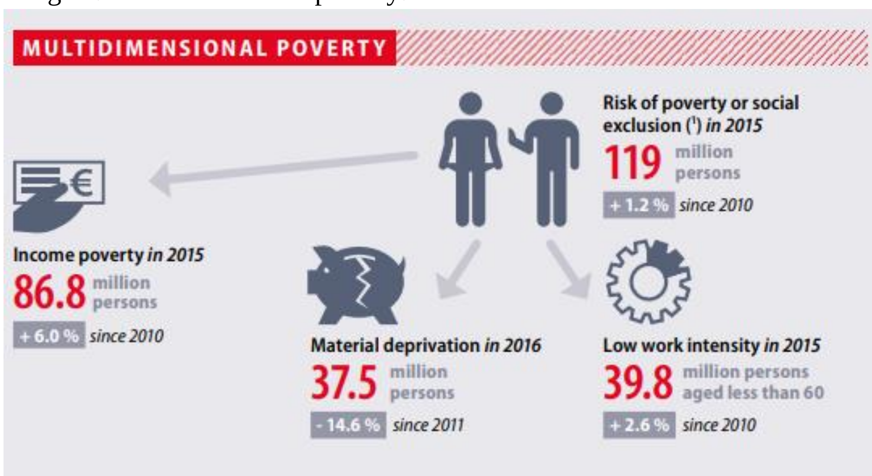
Source: Eurostat. "Euro area and EU28 unemployment rates. Unemployment rates in November 2018" Last modified June 19. https://twitter.com/eu_eurostat/status/1082940042123722752?lang=bg

According to Eurostat data (Figure 2), we note that the unemployment rate in the Eurozone (EA19) in November 2018 was 7.9%, the lowest since December 2008 (Eurostat, 2018). And this is also the case throughout the European Union (EU28), with the lowest unemployment rate recorded since October 2008, falling to 6.7% in November 2018, in spite of the high rates in countries such as Greece (18.6%), Spain (14.7%) and Italy (10.5%).

2.2 The three categories of poverty: income, material and work

The European Commission groups poverty into three categories: income poverty, material deprivation and low work intensity (Sustainable Development in the European Union (2017, 4).

Image 2. Multidimensional poverty.

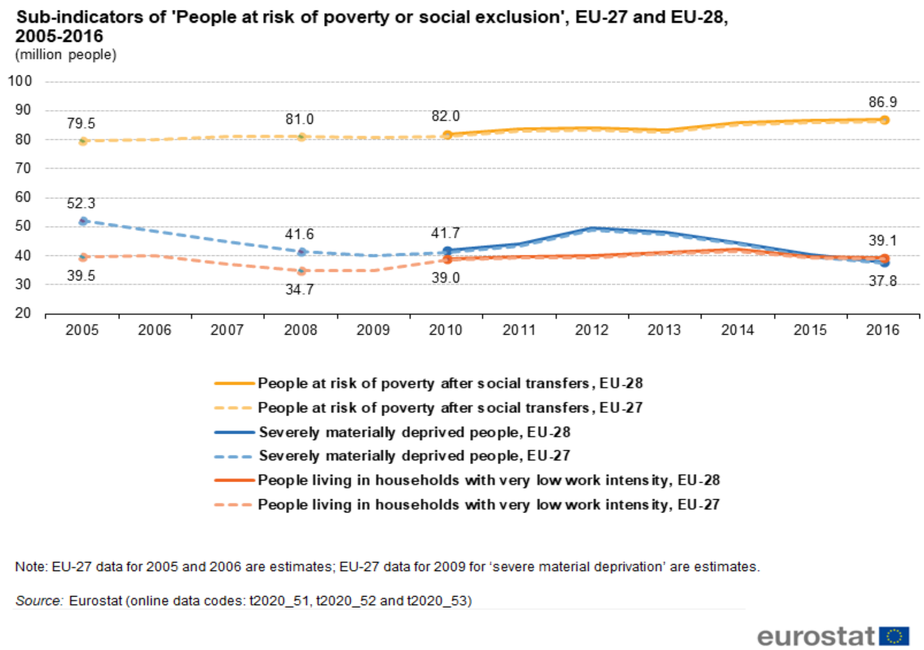


Source: European Union. 2017. "Sustainable Development in the European Union. Overview of progress toward the SDGs in an EU Context". Publications of the European Union, Luxembourg, p. 5.

The evolution of the three dimensions of poverty between 2010 and 2016, followed different trends (Image 2): Income poverty increased by 6% between 2010 and 2016, affecting a total of 86.8 million people, which is 17.3% of the population; material deprivation decreased by 14.6% between 2011 and 2016, affecting 37.5 million citizens, that is, 7.5% of the total population; while, low work intensity increased by 2.6% between 2011 and 2016, affecting 39.8 million Europeans.

Considering the overall framework, we see that between 2010 and 2016, the risk of poverty or social exclusion increased by 1.2% between 2010 and 2015 (Figure 3), for a total of 119 million people. A worrying trend that can be understood from the experience of the economic crisis, which had a negative impact on the results until 2012, when some recovery began, without reaching the dimensions of the past nor, therefore, moving toward the objectives, which amounts to a peak of 96.1 million people.

Figure 3. Sub-indicators of People at risk of poverty or social exclusion, EU-27 and EU-28, 2005-2016 (million people)



Source: Eurostat. "Sub-indicators of People at risk of poverty or social exclusion, EU-27 and EU-28, 2005-2016 (million people)". Accessed June 19. Https://ec.europa.eu/eurostat/statistics-explained/images/a/ad/Sub-indicators_of_%27People_at_risk_of_poverty_or_social_exclusion%27%2C_EU-27_and_EU-28%2C_2005-2016_%28million_people%29.png

2.3 An essential tool: the European Social Fund (ESF)

The European pillar of social rights is the main policy framework to combat poverty. Its twenty principles address the goals of poverty-related SDGs, including the establishment of protection systems and promoting policies to support investment aimed at eradication of poverty. A table of social indicators was established to monitor progress, following the advances and trends in reaching different goals. This is in addition to the different funds allocated to development. A clear example is the Fund for European Aid to the Most Deprived (FEAD), by funding countries so they can provide basic services to the most disadvantaged, so as to facilitate the incorporation into the labor market and take the first steps out of poverty. In this case, the European Commission drafts the General Assistance Plan and the countries that avail themselves of the aid set the order of priorities and define how the aid is distributed in their territory.

But if we are talking about combating poverty and creating employment, the European Social Fund plays an essential role since, in line with the Europe 2020

Strategy, it promotes and facilitates job creation as well as improved working conditions, favoring the reduction of poverty and social inclusion with an annual budget of 10,000 million. In this sense, the ESF activities follow four priorities:

a) Combat social exclusion: Migrant communities are among the most discriminated groups in Europe. They are mostly concentrated in peripheral regions, with no fixed residence, as is the case of itinerant travelers and the Roma people. It is estimated that 6 million of them live in poverty. The EU objective is to eliminate obstacles to the integration of these groups. It is essential to design effective education and training plans as a step toward access to the labor market. The campaigns are aimed at teacher training in schools with Roma children, to reinforce efforts to reduce dropout rates and increase performance. Training in health and social abilities in education centers and universities with the expectation that the knowledge will be transferred to their communities, or gender policies to help Roma women undertake handcraft ventures. Up to a total of 37 projects are underway throughout Europe, especially in the Iberian Peninsula, United Kingdom, central and eastern Europe.
b) Support for social enterprises: with their position in a peculiar terrain, between the public and private sectors, social enterprises provide alternatives to certain sectors of the population with difficulties in accessing the labor market such as long-term unemployed youth, former delinquents or disabled persons. In the end, it is a matter of creating job opportunities and offering training in two senses: legal and/or business advice, and training in technical skills, in addition to providing aid to find financial support. A total of 19 projects of this nature are currently underway.
c) Support to local associations: one of the main difficulties in designing, promoting and following-up projects is the number of agents involved. This makes detection and collaboration with local networks necessary; whether NGOs, local authorities or social partners. In the end, it is these agents who are familiar with the reality of those communities and who can guide and assist in meeting objectives and the success of the projects. Together with the European Regional Development Fund, oriented toward infrastructure, with these alliances the ESF aspires to reduce the school dropout rate and promote entrepreneurship. A total of 15 projects are currently underway.
d) Inclusive approaches: focused on collectives facing greater difficulty in accessing the labor market, such as women, older workers, those with

chronic illnesses or migrants, the aim is to establish measures and active inclusion, accompanied throughout the entire process up to the achievement of a job. For this, special effort is placed on training in specific professional skills, job search guidance and how to deal with recruitment processes and, also, generation of a culture of diversity, where companies and entrepreneurs have a more than relevant role, as evidenced by the 100 projects currently under way in the EU.

2.4 Various agents and scales for a common development goal.

In the reflection paper “Towards a Sustainable Europe by 2030", the European Commission puts forth the areas of improvement of the EU and the achievements made in the transition toward sustainability and in tune with the SDGs. Emphasis is placed on improving competitiveness, increasing investment in sustainable growth and encouraging governments, institutions and citizens to take action. The document, in particular its Annex II “The EU’S Performance on the Sustainable Development Goals (SDGs)”, focuses on presenting an overview of the current progress, development trends and factors that may hinder development along with a comparison with other actors on the world stage. Each SDG is described in a qualitative overview. Key trends are presented and EU member states are ranked with respect to the global context in fulfillment of the SDG. The report then details the EU scenario with respect of each SDG for 2030, pointing to new trends, opportunities and risks. The last block is a summary of policy highlights aimed at achieving the SDG. These policies follow the logic of regional / national / local levels, as well as the inclusion of two key stakeholders such as companies and civil society. Take SDG1 for example, given its special relevance, to understand the analysis that the Commission strives to make:

1. At EU level: Indicates how the European Pillar of Social Rights serves as the main guiding framework for fighting poverty and how its twenty principles directly tackle SDG targets on poverty. It also indicates how the social scoreboard helps monitor performances.
2. At Member State level: Portugal and its "Income Package" serves as an example of a national policy aimed at strengthening social protection. This supplement supports household incomes by uprating the amount of pensions; restoring the reference value of the social solidarity income and increasing the lower levels of family and allowances. (European Commission, 2019, p. 70).
3. At regional/local level: With the support of the European Social Fund during 2015-2018, the city of Munich implemented several initiatives to

support the integration of the unemployed into the local labor market. Initiatives include ‘Work & Act’ aimed at helping the unemployed rejoin the labor force; ‘Power-M’, empowering women to get back to work after maternity leave; ‘Guide’, offering guidance to women entrepreneurs; and ‘FIBA’ and ‘MigraNet’ projects, providing employment assistance for migrants. (European Commission, 2019, p. 30).

4. At company level: The example of Naturgy is used, a Spanish gas and power company, which seeks to ensure protection of vulnerable customers through an energy vulnerability plan. In this way, this company becomes a social agent with a dimension beyond the exclusively mercantile. (European Commission, 2019, p. 30).
5. At civil society level: The European Minimum Income Network, which brings together various organizations and experts in a multi-sector network working to raise awareness on the need to provide minimum income, ensuring life in dignity for groups at risk of exclusion.

The Commission proceeds to follow this blueprint for each of the SDGs, making it clear that the goals will not be achieved without prudent planning, adequate funding, on-going result metering, along with cooperation at different levels and between multiple agents, among which, according to the points highlighted by the Commission itself, are the companies as essential stakeholders.

2.5 The role of the business sector for development.

Local communities, the third sector or civil society are necessary, but there is no doubt that companies have an important role when dealing with employment and training: “Business is a vital partner in achieving the Sustainable Development Goals. Companies can contribute through their core activities, and we ask companies everywhere to assess their impact, set ambitious goals and communicate transparently about the results” (Ban Ki-moon, SDG Compass , 4) https://sdgcompass.org/, P. 4). The words of the United Nations Secretary-General are not in vain and we believe he is right in stressing the role that business can and should play. This is also acknowledged by the European Commission: "Companies have an essential role to play in the transition toward sustainability" (European Commission, 2019, p. 26).

Specifically, companies should play a leading role in innovation, technology and digitization; with particular emphasis on social responsibility and the approach to new business models. To encourage compliance, the European Union is committed to providing incentives to companies that integrate the SDGs in their activities.

In the section on R&D, the Commission notes that “The recently-proposed European Innovation Council can also help in that respect by supporting top-class innovators, start-ups, small companies and researchers” (European Commission, 2019, p. 23) Similarly “The EU and its Member States would also need to promote stronger links between researchers and business” (European Commission, 2019, p. 23) as key to support innovation and sustainable development. And at this point it does not forget the gap between large and small companies: “While large companies may have the means to develop their research activities in-house, this is often not the case for small- and medium-sized enterprises. Stronger and more direct links with the research community have the potential to bridge this gap.” (European Commission, 2019, p. 23)

The Commission marks the main business challenges in accordance with the SDGs: circular economy, food production, construction and sustainable mobility. To this end, Corporate Social Responsibility is fundamental: “The creation of responsible companies from social and environmental points of view can generate benefits and sustainable growth, new market opportunities and long-term value for shareholders”. To meet the challenges “citizens, businesses, social partners and the research and knowledge community will have to team up. The EU and its Member States will have to work together with international partners. If we are to succeed, we must pull in the same direction at all levels” (European Commission, 2019, p.30). In fact, the Commission encourages civil society, the private sector and academia to “participate in the dialog and in implementing measures”.

Image 3: The five steps that assist companies in maximizing their contribution to the SDGs.

Source: SDG Compass, p. 5. Last modified May 31 2019. https://sdgcompass.org/, p. 5

The SDG Compass is a guide for companies to identify the priority SDGs and design a strategy to reach them. It is a tool developed by the Global Reporting Initiative, the United Nations Global Compact Principles and the World Business Council for Sustainable Development where an action protocol put in place, structured in five steps (Image 3): Understand and internalize the SDGs as a reference for action and as an opportunity. Define priorities by examining the value chain. Set realistic goals with measurable results. Integrate sustainability across the value chain and into the pillars of management and workers performance. Reporting and communicating progress made.

There is an attempt to improve the traditional suggestions made to companies from international agencies. It is well known that SDG17, in speaking of partnerships with the private sector, does so with the clear intention of adding all the stakeholders in the cause, and companies committed to this are aware that they also benefit. After all, the SDGs can help connect business strategies with global priorities and capitalize on a series of benefits such as identifying business opportunities, from the new public-private investment, detect and participate in new commercial scenarios or strengthen relationships with stakeholders as soon as policies emerge and the techniques and language of development and sustainability are mastered.

"Companies can use the SDGs as an overarching framework to shape, steer, communicate and report their strategies, goals and activities, allowing them to capitalize on a range of benefits such as: Identifying future business opportunities. Enhancing the value of corporate sustainability. Strengthening stakeholder relations and keeping the pace with policy developments. Stabilizing societies and markets. Using a common language and shared purpose." (SDG Compass, 4).

In order to understand the role that companies can play (and in fact do play), we are going to point out the cases highlighted by the Commission in the above mentioned reflection paper “Towards a Sustainable Europe by 2030” at the ‘business level’.

SDG1 (End poverty in all its forms everywhere): We have already presented the case of Naturgy and its energy vulnerability plan, so we will not dwell on this point.

SDG2 (End hunger, achieve food security and improved nutrition and promote sustainable agriculture): The Cooperativo Cajamar Group in Spain, which belongs to the TomGEM project, seeks to maintain high vegetable yields under high temperature conditions. They classify energy resources by phenotypes to detect genotypes allowing for optimum flower induction, fertility and fruit-set.

SDG3 (Ensure healthy lives and promote well-being for all at all ages): CureVac GmbH in Germany, with financial support from the Bill & Melinda Gates Foundation, seeks new technologies that allow vaccines to maintain stability regardless of ambient temperature change.

SDG4 (Ensure inclusive and quality education for all and promote lifelong learning): Tripartite agreement to open an inclusive learning section in New Aquitaine, France. A dozen students with disabilities are trained in areas of electrical engineering, supported by the power company Enedis, where the students carry out half of their practical work.

SDG5 (Achieve gender equality and empower all women and girls): Project in the city of Munich for training, advice and the creation of a permanent network of women entrepreneurs over fifty returning to the labor market after having raised their children. This is the GründerRegio M e V. project, which has already assisted 5,000 women, 56% of which have setup their own companies.

SDG6 (Ensure access to safe water sources and sanitation for all): The Marselisborg, Denmark sewage treatment plant is of special relevance among plants that not only aim at reducing energy costs, but also generate energy through sewage treatment. This plant produces over 150% of the energy it consumes.

SDG7 (Ensure access to affordable, reliable, sustainable and modern energy for all): In the city of Jelgava, Latvia, fossil fuels in the urban heating system of the city have been almost 100% replaced with renewable resources, especially through the use of wood shavings. For this, the new Fortum Jelgava power plant has replaced its central gas boiler with a biomass combined heat and power plant, using wood chips as fuel.

SDG8 (Promote inclusive and sustainable economic growth, employment and decent work for all): In Romania, Greenfiber International has received strong backing with European funds to develop and implement a recycling and circular economy system in the country with an expected result of increased collection and processing of over 50,000 tonnes, as well as the creation of 280 new jobs.

SDG9 (Build resilient infrastructures, promote inclusive and sustainable industrialization and foster innovation): In this case the Commission does not emphasize any particular company, while noting the importance the Smart Specialization Platform for industrial modernization. A facility at the service of regional authorities, offering the possibility of developing joint investment projects between multiple agents.

SDG10 (Reduce inequalities within and among countries): Up to ten companies with social and environmental impact have received financing and support from ‘La Bolsa Social’, the first participatory financing platform in Spain. A company that connects investors with social impact and companies that promote the SDGs.

SDG11 (Make cities and human settlements inclusive, safe, resilient and sustainable): The inter-municipal waste management company in the metropolitan area of Porto, LIPOR created the amusement park ‘Adventure Park’ on a former landfill after undertaking an environmental and landscape rehabilitation, creating a new recreational space in the capital in an area that seemed dispossessed from use.

SDG12 (Ensure sustainable consumption and production patterns): The Belgian company UMICORE has gone from being a non-ferrous mining company twenty years ago to a worldwide group of technologies and recycling of materials based on a model of circular economy with a turnover of 10,400 million Euros and a workforce of 10,000 workers.

SDG13 (Take urgent action to tackle climate change and its impacts): In 2016, three large Swedish companies launched HYBRIT, HydroGen Breakthrough Ironmaking Technology, aimed at reducing greenhouse gas emissions to almost zero in the iron and steel industry. In addition, they plan to replace coking coal with fossil free electricity and hydrogen gas.

SDG14 (Conserve and sustainably use the world’s oceans, seas and marine resources): The ‘Clean Archipelago’ project, started with ten boats from a fishermen guild. It was created as a public-private partnership in Tuscany, in Italy. This project strives to clear the sea of litter, remunerating boats who send the plastics they “fish” to the recycling plants.

SDG15 (Protect, restore and promote the sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss): Creating a partnership with fifty-nine local farmers and the NGO WWF, the Austrian supermarket chain SPAR has launched the project ‘Healthy soil for healthy food’. It aims at stimulating sustainable land management by paying a premium of 30 Euros per tonne of CO_2 stored in the soil by farmers, providing the soil samples are analyzed by the company.

SDG16 (Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels): The Danish Maersk Line is one of the founding maritime transport companies of the maritime network against corruption. An inter-sectoral partnership that seeks to detect and mitigate the causes of corruption in the maritime sector.

SDG17 (Strengthen means of implementation and revitalize the Global Partnership for Sustainable Development): The Commission highlights the case of Unilever and its commitment to the 2030 Agenda, in particular its role in the foundation of the Business & Sustainable Development Commission, who published the 2017 report `Better Business Better World' expounding the arguments in favor of the SDGs from a business perspective.

In addition to the Commission's appraisals, we also want to show the external assessment study by Price Waterhouse Coopers from 2018 "From promise to reality: Does business really care about the SDGs?" This study aims to show the level of commitment of 729 companies surveyed in 21 countries and 6 sectors. The findings indicate that the priority concern of most companies focuses on five SDGs:

- Decent work and economic growth (SDG8). 79% of companies identified it as the most relevant, perhaps because it is aligned the objectives of any company: higher levels of productivity, safe working conditions, improved training, etc.
- Climate action (SDG13). 67% of companies place it in second place. Many companies understand that compliance with this objective is the key to gaining trust and reputation. However, it is striking that this goal is more related to increased investment to promote mechanisms that encourage behaviors related to climate change in less developed countries than with the reduction of emissions (in connection with the SDG7).
- Responsible consumption and production (SDG12) is in third place by importance (66%). Companies are highly aware of waste generation.
- Good health and wellbeing (SDG3). 57% of the surveyed companies consider it a priority, with the spotlight on pharmaceutical, automotive, insurance and technology companies.
- Industry, innovation and infrastructure (SDG9). 55% cite that quality, reliable, sustainable and resilient infrastructures are essential for economic development and human wellbeing.

CONCLUSION.

The report "Sustainable Development in the European Union. Monitoring report on progress towards the SDGs in an EU context" (Eurostat 2017) assesses the degree of achievement of the SDGs in Europe, offering an initial statistical summary of trends with respect to the SDGs. Here we can distinguish three areas on the achievements of the European Union regarding compliance with the SDGs (Image 4):

Image 4. EU trends toward the SDGs

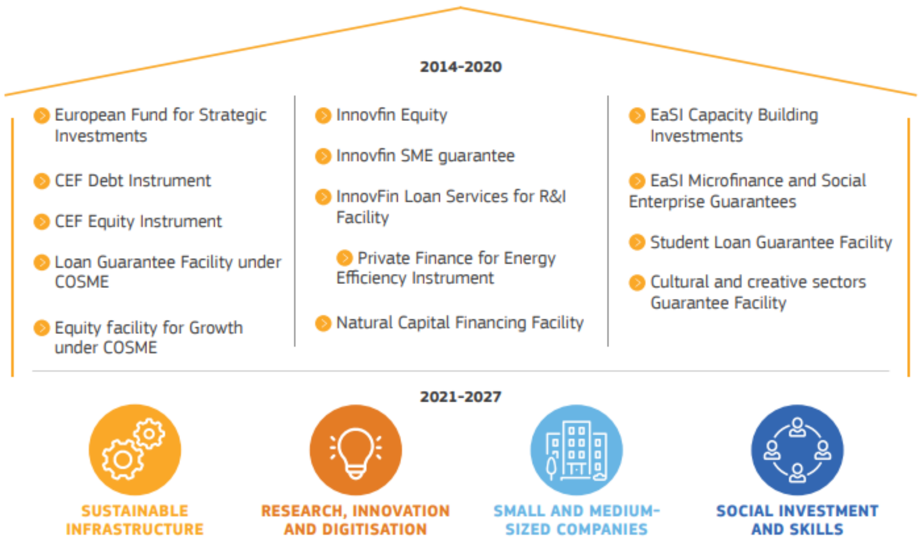
Source: European Commission 2019, p.67. Last modified May 31 2019. https://ec.europa.eu/commission/sites/beta-political/files/rp_sustainable_europe_30-01_en_web.pdf

- Significant advances in SDGs 3, 4, 7, 11, 12. 5 and 8.
- Significant advances in SDGs 1, 17, 15, 2, 9.
- Moderate decline in SDG 10.
- Due to the lack of time to measure over 25% of the indicators related to SDG 6, 13, 14 and 16, the possible advances cannot be assessed.

It is apparent that the EU has been making great efforts to adjust its policies to the SDGs. It is worth reviewing the impact of their policies to assess what has been achieved and what has not; aimed at redirecting, reinforcing and promoting policies, and progress toward sustainable development.

A good example is the InvestEU Program 2021-2027 that continues the model and objectives of the Juncker Plan. InvestEU will boost investment, innovation and job creation, triggering an estimated 650 billion Euros in additional investment. It groups the 14 European investment mechanisms into one investment package, including the European Fund for Strategic Investments. Includes the InvestEU Fund, mobilizing public and private funds that promote investment with a budget guaranteed by the European Union; the InvestEU Advisory Hub, which provides guidance and technical support for investment; and the InvestEU Portal, generating a database that connects projects and potential investors.

Image 5. Benefits of the InvestEU Program.



Source: European Commission. EU Budget for the Future, 19 May 2019, p.2. Last modified May 31 2019. https://ec.europa.eu/commission/sites/beta-political/files/what_is_investeu_mff_032019.pdf

Along with this project there are other initiatives which indicate that the European Union is committed to economic policies to effectively fight poverty and unemployment as the way to promote sustainable growth within the Union, but also with indirect effects on other regions, thus helping to achieve the SDGs globally and not only at regional and local levels.

The measurement of results, review of policies, project evaluation and design of new ideas will be required over the next decade, together with a firm political will and commitment of all social actors, both public and private agencies, the third sector and civil society.

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