

Executive summary



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Despite the difficult context of recent years, whose latest episode of uncertainty has been triggered by the war in Ukraine, the 2030 Agenda remains the roadmap that the countries of the United Nations adopted in 2015, setting out a framework from which to respond to the global challenges facing humanity: preserving natural resources; promoting inclusive and sustainable development; protecting human rights and human dignity; and promoting peace, security and justice.

The Spanish Government is a firm supporter of this commitment, by placing the 2030 Agenda as one of the references of the economic and social policy deployed since mid-2018, also adopting initiatives such as this alignment report, the third edition of which accompanies the General State Budget for 2023 (GSB 2023).

Throughout these three editions of the report, with the collaboration and recommendations received from other institutions¹, both the technical aspects of the preparation of the contents and the dissemination and communication of the report's results have been improved, through printed format and the Budget Administration Portal website, in an effort to bring the Budget closer to society.

¹ Particular mention should be made of the technical assistance provided under the European Commission's (DG Reform) *Structural Report Support Programme (SRSP)*. This programme started in December 2020, under the initiative and coordination of the Secretariat of State for Budget and Expenditure, and its work has been extended until mid-2022. The project has developed in two areas. Firstly, the analysis and proposals for improvements to the methodology, entrusted by DG Reform to the International Monetary Fund. Secondly, proposals and recommendations to improve the information systems and the web portal, a project commissioned by DG Reform to a team led by the Spanish consultancy firm Afi with the support of ICF and DEMOS Helsinki.

All of this places Spain at the forefront of countries that carry out exercises of this type. Together with other instruments of analysis and knowledge, the alignment of budgets is undoubtedly one of the most appropriate tools for integrating the multidimensional dynamics of sustainable development into the design and planning of public policies.

This new edition of the report once again highlights the three main pillars on which the Government's policy is based: a social agenda centred on people, leaving no one behind; the commitment to a green, fair and ecological transition; and the transformation towards a balanced, inclusive and sustainable economic growth model that guarantees the present and future prosperity of our society.

The report on alignment with the 2030 Agenda of the General State Budget for 2023 confirms the high degree of alignment already highlighted in previous reports. The most relevant conclusions are the following:

1. Multiplier effect of budgetary actions that allow, with the same resources, to contribute to the achievement of several SDGs. The most relevant data: practically all budgetary policies are aligned with at least two SDGs, the most frequent range being between 4 and 7 SDGs. Likewise, 58 per cent of budgetary programmes are aligned with two or more SDGs.
2. The contribution of budgets to the 2030 Agenda rests not only on budgetary programmes whose main objective(s) are directly identified with an SDG, but also on actions that can generate conditions favourable to the achievement of an SDG, even if this is not the main objective of the budgetary programme. On average, the ratio between the number of programmes with

direct contribution and programmes with indirect contribution is around 60%-40%, respectively.

3. Important contribution of the Recovery, Transformation and Resilience Plan to the alignment of the General State Budgets, reflecting the major coordinates that preside over the design of the PRTR: Digital Transformation, Ecological Transition, Gender Equality and Social and Territorial Cohesion.
4. The report confirms the high degree of alignment of the GSB with the **social dimension**. In particular, it should be noted:
 - The social SDGs are in the high band in terms of number of aligned policies and programmes.
 - The GSB for 2023 will continue to consolidate progress on SDG 1. End poverty, through policies aimed at strengthening social protection and social services systems, highlighting, among other measures and actions: the revaluation of pensions; the strengthening of the care economy and social services; measures to protect children and support families; the financing of the minimum living income; actions aimed at protecting workers from the risk of exclusion from the labour market; and programmes aimed at facilitating access to decent and adequate housing for the most disadvantaged people and groups.
 - The GBS for 2023 includes a significant increase in resources that will allow for further strengthening the capacities of the National Health System and the education system. These are two essential public

services that, in addition to their direct impact on SDG 3. Health and well-being and 4. Quality education, respectively, contribute to mitigating the risks of social exclusion and vulnerability.

- Most budgetary policies contribute, directly or indirectly, to advancing SDG 5. Gender equality through actions aimed at, among other areas: increasing the female employment rate; strengthening the long-term care system; ending all forms of violence and discrimination against women and girls in all settings, public and private; ensuring women's full and effective participation, equal opportunities for leadership and the empowerment of all women and girls at all levels of decision-making in political, economic and public life.
- Finally, the contribution of the GSB to SDG 10. Reducing inequalities should be highlighted. Among other policies, mention should be made of the Education and Employment Promotion policies, whose educational programmes, training or incentives for hiring groups with greater barriers to accessing the labour market are the best guarantee of equal opportunities.

5. The alignment report reflects the priority of the **environmental dimension** in the 2023 Budget. The fight against climate change and the protection of the environment are essential vectors for building a more sustainable future for the next generations and creating new opportunities to generate wealth and quality employment. The most relevant results of the report are the following:

- The budget programmes that contribute the highest rate of budgetary effort and are aligned with more than one SDG belong to the Economic Actions budget area.
 - The policies with the highest overall contribution to the achievement of environmental objectives are Resilient Infrastructure and Ecosystems, Trade, Tourism and SMEs, Access to Housing and Building and Transport Subsidies.
 - The SDGs that concentrate the highest rate of budgetary effort are SDG 7. Affordable and clean energy; 12. Responsible production and consumption; and 13.
 - Finally, the contribution of the PRTR to the achievement of environmental objectives should be highlighted, focusing mainly on the areas of just and inclusive energy transition, the development of resilient infrastructures and ecosystems, and the promotion of the urban and rural agenda.
6. The SDGs included in the **economic dimension** (SDG 8. Decent work and economic growth and SDG 9. Industry, innovation and infrastructure) have the highest number of aligned policies and budgetary programmes, highlighting the priority of these goals in current economic policy. These are also SDGs that have high synergies for the achievement of social and environmental goals. The most relevant results are:
- The budgetary programmes with the highest rate of budgetary effort correspond to the budget areas of

Economic actions and Social protection and promotion actions.

- Decent work and economic growth are those of Employment Promotion, Unemployment, Other Economic Benefits, Trade, Tourism and SMEs, Transport Subsidies and the horizontal Management and Administration policies of Labour and Social Security.
- Mention should be made in SDG 9. Industry, innovation and infrastructure, of the policies of Resilient Infrastructure and Ecosystems, Trade, Tourism and SMEs, Research, Development, Innovation and Digitalisation, as well as Defence policy, whose industrial and technological base is an important driver of economic growth and employment.
- An important feature of both SDGs 8 and 9 is the high synergies between them, as 12 policies are aligned with both SDGs.
- Finally, the main programmes of the PRTR are present in all the policies of the economic policy area.

7. The 2023 GSB reinforce the **institutional dimension of the 2030 Agenda** at a time of international geopolitical uncertainty that makes it all the more necessary to continue strengthening the foundations of the rule of law and promoting peaceful and inclusive societies, based on respect for human rights and equality for all. The main findings of the alignment report are as follows:

- Although the institutional SDGs (SDG 16 and SDG 17) are in the lower-middle band in terms of the number of aligned policies and programmes, the important role of institutional stability should be highlighted as it is essential for the achievement of the other SDGs of the 2030 Agenda.
- In terms of the Budget Effort Index, the results show a high alignment of the policies of Justice, Defence, Citizen Security and Constitutional Bodies and Government with SDG 16: Peace, Justice and Strong Institutions. The actions and objectives of these policies are fundamental for the protection of the rights and freedoms of our social and democratic rule of law, as well as the mission to achieve peace in all its forms.
- Alliances to achieve the goals, it is worth highlighting the general Services policy, which includes, among other actions, the Coordination and territorial organisation of the State and the General Administration of Economy and Finance. Defence policy also contributes to this SDG, consolidating alliances that are all the more necessary at this difficult international geopolitical moment.
- Finally, mention should be made of the alignment of the Foreign and Development Cooperation Policy with the institutional SDGs, through the State's external action aimed, among other objectives, at strengthening institutions, both in the multilateral sphere and in the framework of cooperation with the least developed countries.

8. Finally, the analysis of the alignment of the budgets of **public business sector** entities confirms the high degree of alignment of public companies with the 2030 Agenda. The most notable result is that all companies contribute to more than one SDG, with the following standing out in particular:

- Social SDGs: 3. Health and Well-being, 4.
- Affordable and clean energy, 11. Sustainable cities and communities, 12. Responsible production and consumption and 13.
- Decent work and economic growth and 9. Industry, innovation and infrastructure.