

Coalition 2030

Response to Department of the Taoiseach

Public Consultation on Ireland's National Recovery and Resilience Plan

22 February, 2021

Introduction

i) Coalition 2030 is an alliance of 75 civil society organisations and networks¹. These organisations come from the international development, environment, social inclusion/anti-poverty, trade union and academic sectors. We are committed to upholding Ireland's commitment to achieving the Sustainable Development Goals (SDGs) at home in Ireland and in over 50 countries by 2030.

ii) The COVID-19 pandemic is reversing progress made towards the SDGs both in Ireland and globally. Ireland's recovery plan must mitigate and counteract this trend and connect investment to the SDGs. As noted in UN analysis, "*the SDGs and the Paris Agreement are our compass to a transformative recovery that reduces risk of future crises and brings inclusive and sustainable development*".² The objective must be to ensure a green, digital, just and resilient recovery which brings Ireland closer to achieving the SDGs and the Paris Agreement. The National Recovery and Resilience Plan (NRRP) should address the economic, social and environmental advantages of a recovery based on SDGs targets and indicators, and the relevance of transformative investments for a just transition for affected communities.

iii) The NRRP must lead to a transformation that is fully and transparently aligned with SDGs targets and indicators and focuses on the most marginalised and vulnerable individuals and communities. A key risk is that the recovery plan, while providing for positive and new funding across different channels and levels of government and for different capital projects, is not focused on medium and longer-term sustainable development objectives and does not ensure that those most at risk or furthest behind are actively involved in associated planning and investment decisions. Appropriate governance, accountability and consultation mechanisms are crucial in this regard.

iv) The SDG framework is central to core issues addressed in Commission guidance on NRRPs, including the 'do no significant harm' principle, social rights, environmental sustainability, fairness, the green transition, policy coherence, health, and economic, social and institutional resilience, as well as Country Specific Recommendations.

v) Coalition 2030 welcomes the opportunity to respond to this public consultation. The first section of this response addresses objectives and conditions in relation to Ireland investments and reforms for inclusion in the National Recovery and Resilience Plan. The second section addresses priority investments and reforms as raised in Country Specific Recommendations received by Ireland in 2019 and 2020. It is particularly important that the Plan addresses the following issues:

- The NRRP should incorporate and respect the principles included in a "<u>A Shared Vision</u> for a Just Recovery" developed by a range of civil society organisations and networks in 2020.
- b) The SDGs must become a core guiding framework of the NRRP, with its targets and indicators actively built into the ongoing design and assessment of policy.
- c) The NRRP should put in place a comprehensive and robust process for stakeholders engagement and participation, particularly with the most vulnerable/impacted, and

¹ See https://www.ireland2030.org/about-us . Our full membership is available here.

² UN/DESA Policy Brief #81: Impact of COVID-19 on SDG progress: a statistical perspective<u>https://www.un.org/development/desa/dpad/publication/un-desa-policy-brief-81-impact-of-covid-19-on-sdg-progress-a-statistical-perspective/</u>

involve CSOs across the whole programme cycle of NRRPs, from consultation, preparation, planning, implementation, monitoring and evaluation.

- d) The NRRP should include monitoring and review processes to ensure policy coherence for sustainable development. Ex ante and ex posts assessments are equally necessary to address potential policy consistencies and examine overseas impacts.
- e) The NRRP should prioritise investment and reforms in anti-poverty, healthcare, social protection and climate action measures. These measures should be rooted in social justice and based on relevant SDG targets, taking into account Programme for Government commitments.
- f) Regarding climate measures, the NRRP should specify the targets and conditionalities that this funding must support and incorporate measures to support biodiversity. Investment in fossil fuel infrastructure (including natural gas) must be explicitly excluded.

vi) Coalition 2030 also endorses the respective submissions of the Environmental Pillar and the European Anti-Poverty Network. We would welcome the opportunity to discuss the issues raised in this submission directly with the Department.

<u>Consultation Question 1: Taking into account the guidance provided by the European</u> <u>Commission, what are the areas Ireland should prioritise for 1) investments and 2)</u> <u>reforms for inclusion in our National Recovery and Resilience Plan?</u>

1. A Just Recovery From Covid-19

1.1 In 2020, the Coalition collaborated with several other civil society organisations to produce "<u>A Shared Vision for a Just Recovery</u>". The landmark joint statement endorsed by 14 national coalitions and more than 50 organisations from all sectors of Irish civil society, from trade unions to women's and youth advocates, to community and homelessness organizations. The joint statement is structured around six key principles:

- 1. Protect and invest in public services, prioritising public health and wellbeing
- 2. Invest in people
- 3. Deliver faster and fairer climate action and restore and protect nature
- 4. Build solidarity and community across borders
- 5. Ensure inclusive and participatory decision-making
- 6. Redefine progress through a focus on wellbeing and sustainable development

1.2 The joint statement (which is available <u>here</u>) sets out the steps necessary for a fair and sustainable recovery from the social and economic shock of the Covid-19 pandemic in the context of these 6 principles. Our vision is for a just recovery in Ireland, the EU and internationally that results in open, fair, equal and healthy societies, flourishing within the ecological limits of our one planet. It is essential that these principles are respected and integrated into the NRRP.

2. The Sustainable Development Goals and Covid-19 Response

2.1 The 2030 Agenda for Sustainable Development was adopted by the UN General Assembly in 2015. The 17 Sustainable Development Goals and 169 associated targets bring together economic, social and environmental dimensions of development in order to end poverty and realise an inclusive and sustainable world by 2030. In order to deliver on the Goals, Governments must give priority to improving wellbeing, reducing inequalities, and achieving sustainability and resilience. In this way,the definition of 'resilience' (*the ability to face economic, social and environmental shocks and/or structural changes in a fair, sustainable and inclusive way*), as noted in the relevant EU Regulation and Commission guidance, is aligned with SDG objectives. The National Economic and Social Council has also stressed the importance of grounding the Covid recovery in sustainable development.³ The SDGs must therefore become a core guiding framework of the NRRP, with its targets and indicators actively built into the ongoing design and assessment of policy.

2.2 The European Semester Country Report on Ireland addresses progress with regard to certain SDGs. It notes particular challenges on SDG 2 Zero Hunger regarding ammonia and nitrate pollution, SDG 6 on clean water and sanitation, SDG 7 on clean energy.SDG 13 on climate action and SDG 14 on life below water. Minor improvements on indicators related to poverty and social issues are also highlighted.

2.3 The unprecedented health, economic and social crisis impacts of Covid-19 are making the achievement of SDGs even more challenging. While the Covid crisis has seriously jeopardised progress on the SDGs, it also makes their achievement all the more urgent and necessary. The National Economic and Social Council has provided analysis which emphasises that "the task of recovery, and linking it with sustainable development, is considerable but achievable. Investing in nature and in reducing emissions will create jobs and at the same time become a means of reimagining our economy and society, and crucially the relationship between them and our natural environment."⁴

2.4 It is therefore imperative that Ireland pursues a just and transformative recovery from Covid-19 which prioritises the cross-cutting SDG targets, and its associated monitoring framework, as the roadmap to increase resilience for the most vulnerable communities and workers across our society. An effective monitoring system must be put in place based on SDG indicators in order to evaluate progress under the NRRP and assess compliance with the minimum shares of expenditure on climate, environmental, social, objectives.

2.5 The European Commission guidance recommends that Member States demonstrate the long-lasting impacts impact of the plan through an analysis of the "long-term sustainability", "in particular highlighting that the measures will be implemented in an inclusive manner" and "An analysis outlining the sustainability of the changes in social, budgetary and financial terms, It is important that Ireland's monitoring and reporting on 'sustainability' is not be limited to merely information on economic performance and action on climate/environment.

³ NESC, Grounding the Recovery in Sustainable Development: A Statement from the Council No.152 December 2020 <u>http://files.nesc.ie/nesc_reports/en/152_GroundingInSD.pdf</u>

⁴ NESC, Grounding the Recovery in Sustainable Development: A Statement from the Council No.152 December 2020 <u>http://files.nesc.ie/nesc_reports/en/152_GroundingInSD.pdf</u>

2.6 All recovery and response measures should be linked to specific SDG targets/indicators and/or climate conditions (see below). The Plan should therefore integrate SDG sub-targets and indicators into policy planning and implementation. Departments and public bodies should provide information on progress on relevant SDG targets, and plans to meet targets in their reports on relevant investments/reforms. Without the integration of the SDG framework, Ireland runs the risk of investments appearing sustainable but ultimately not contributing to sustainable development in any real sense.

2.7 The NRRP should monitor and report on progress regarding the social impacts of the crisis. The Commission Staff Working Document highlights that Member States should set clear milestones and targets based on robust indicators. We recommend that Ireland use the detailed sub-targets and indicators regarding poverty and social rights in the SDG framework.

2.8 The NRRP must take account of Ireland's current National SDG Implementation Plan and respond to the new SDG Implementation Plan to be produced by the Department of Environment, Climate and Communications in 2021.

2.9 It is equally important that the NRRP respects the SDG principle that 'no one will be left behind'. This principle of equity and fairness aims to overcome inequalities which may stem from a range of factors, including power dynamics, discrimination or poor system design. For example, strategies to improve home heating and transform cities require participatory planning to identify and address the needs of the poores

3 'Do No Significant Harm Principle'

3.1 Regarding the obligation that investments in the NRRP must respect the 'Do No Significant Harm' Principle, as defined in Article 17 of the Taxonomy Regulation and associated Commission guidance, the principle should be assessed for each reform and investment and sufficient information is provided to clearly show how the given reform/investment does not impact any of the six criteria. It is also important that any investment which does not meet the screening criteria is excluded from funding.

3.2 Regarding the provided criteria, It is important that Ireland's approach is not limited to a 'tickbox' exercise which only takes account of requirements in the Taxonomy Regulation. Information on reforms and investments must clearly show how they are responding to Ireland's commitments under both the Sustainable Development Goals and the Paris Agreement.

3.3 Ireland should commit to undertaking Strategic Environmental Assessments in order to ensure the NRRP respects and builds on existing legal tools that would bring along a defined assessment process. It is also important that Ireland complies with legal obligations and conditions regarding Environmental Impact Assessment for chosen projects and that these assessments and safeguards are highlighted in the NRRP.

4 Review and Policy Coherence

4.1 The Commission guidance notes that Member States should demonstrate coherence between reforms and investments. The Commission Staff Working Document Delivering on the UN's Sustainable Development Goals also addresses this issue and notes that '*Policy coherence for sustainable development includes promoting a whole-of-government approach and ensuring political oversight and coordination efforts across government and at all levels,* from global to local, for SDG implementation, taking into account the interlinkages between the SDGs.'

4.2 Planning and assessment of reform/investment decisions should therefore take account of the need for policy coherence for sustainable development. In the 2020 OECD DAC review of Ireland's overseas development aid, the OECD recommended that Ireland should "develop mechanisms for analysing the impact of its domestic policies on developing countries, identify potential inconsistencies, discuss action to address these with all stakeholders, and ensure that progress is monitored." Ex ante and ex posts assessments are equally necessary to address potential policy consistencies and examine overseas impacts of expenditure decisions in accordance with SDG target 17.4.

4.3 The University College Cork - MAREI centre is currently undertaking research on policy coherence and interactions across Government to drive SDG implementation. As part of this *SDGs4I* project, they have indicated that the existing policy framework has resulted in a relatively siloed approach where implementation of SDG targets are not necessarily reflected in Departmental responsibilities and impacts on other policy areas are difficult to assess. This finding has implications for investment planning. ⁵

5 Consultation and Stakeholder Engagement

5.1 Under the Recovery and Resilience Facility, Member States must show how they involved and consulted civil society and social partners in the process of drawing up the recovery plan. It is noted that the NRRP "*must provide..a summary of the consultation process, conducted in accordance with the national legal framework, of local and regional authorities, social partners, civil society organisations, youth organisations, and other relevant stakeholders, for the preparation and, where available, the implementation of the plan and how the inputs of the stakeholders are reflected in the plan*". The Department should therefore undertake to consult further and engage directly with civil society in advance of finalisation of the plan and submission to the European Commission. It is essential that impacted communities and *vulnerable groups are given the opportunity to provide input on measures and funding decisions, both in terms of their planning and final delivery.*

5.2 A clear and inclusive public engagement process should be put in place to facilitate engagement in the NRRP. This process must be in accordance with public participation obligations under the Aarhus Convention and human rights treaties. The NRRP itself should include information on: who was consulted, how the selection was made of whom to consult, what the key elements of the consultation were, and what the impact of the consultation was. There must also be ongoing processes for ongoing engagement in the delivery, monitoring and review of implementation of the Plans. ⁶

⁵ See M L Tissier & Hester Whyte, Report on SDG interactions in context of Ireland Sustainable Development Goals, D2.2, UCC MaREI SDGs4I Project, 2020, Section 4.1.

⁶ European Center for Not-for-Profit Law and Civil Society Europe, *Participation of civil society* organisations in the preparation of the EU National Recovery and Resilience Plans, 2020 https://civilsocietyeurope.eu/wp-content/uploads/2021/01/CSE-ECNL-Participation-of-CSOs-in-the-preparation-of-the-EU-NRRPs_spread.pdf

5.3 Resources should be allocated in particular to voices representing sections of the society whose interests will not automatically be heard in these processes. Funding to improve stakeholder engagement should not be limited to organising conferences, meetings and information events. It should also support civil society federations, platforms and coalitions' work to ensure regular engagement and participation in these processes.⁷

6 Gender equality and equal opportunities for all

European Commission guidance recommends that Member States explain how reforms and investments supported by the plan will overcome equality challenges, in particular mitigating "the social and economic impact of the crisis on women, including in relation to gender-based and domestic violence, and how it contributes to the UN Sustainable Development Goal 5 on gender equality and its target", as well as ensuring equal opportunities for all. Member States are requested to demonstrate that the objectives of gender equality and equal opportunities for all are mainstreamed into the plan and to disaggregate the data they present by gender, age, disability and racial or ethnic origin wherever possible. We support this approach and recommend that this form of planning and reporting is equally applied to other SDG targets and indicators.

Consultation Question 2: Of the Country Specific Recommendations received by Ireland in 2019 and 2020, which are considered the most relevant for reflection upon in Ireland's National Recovery and Resilience Plan?

7 Anti-Poverty, Social and Health Objectives

7.1 UN analysis has shown that SDG progress is linked with countries' success in dealing with the Covid-19 pandemic. This analysis addresses the types of necessary investments in healthcare, social protection and climate action.⁸

7.2 The European Commission 2020 Country Report on Ireland highlights particular concerns regarding the rising number of homeless people as a result of rent increases and insufficient social and affordable housing and the consistently high levels of child poverty. The NRRP must systematically prioritise investment, and assess the impact of measures, with regards to these vulnerable groups. We would note that this needs to go beyond the 2019 Country Specific Recommendation to "facilitate upskilling...[and] increase access to...childcare".

7.3 The European Commission has predicted that Covid-19 will increase the levels of those atrisk of poverty in the EU by about 4.8% from 16.4% in 2019, unless policy measures are effective in preventing this from happening. Before Covid-19, 5.5% of the population experienced consistent poverty. 12.8% were at risk of poverty. The European Anti-Poverty Network has noted that material deprivation had increased in 2019 by almost 100,000 people to around 872,900 people or 17.8% of the population, mainly due to the increased cost of living.

⁷ Ibid

⁸ UN/DESA Policy Brief #84: Achieving SDGs in the wake of COVID-19: Scenarios for policymakers <u>https://www.un.org/development/desa/dpad/publication/un-desa-policy-brief-84-achieving-sdgs-in-the-wake-of-covid-19-scenarios-for-policymakers/</u>

Specific groups in Irish society are also at higher risk of poverty. The Roadmap for Social Inclusion 2020-2025 contains the ambition 'To reduce the national consistent poverty rate to 2% or less of the Population' and, 'To make Ireland one of the most socially inclusive States in the EU'.

7.4 NRRP should build on these national-level commitments and integrate principles in the European Pillar of Social Rights, as well as poverty and social targets in the SDGsthe European Semester integrated the European Pillar of Social Rights. As noted by the European Commission, the objectives set by the SDGs in terms of employment, education and skills, working conditions, fighting poverty and inequality, and promoting equal opportunities and social inclusion are being pursued through the implementation of the European Pillar of Social Rights.⁹

7.5 Evidently Covid-19 pandemic has exacerbated significant weaknesses in the health system and severely impacted healthcare workers. The current state of affairs is untenable (for both health workers and patients) and Ireland's lack of resilience in the health sector has been consistently underlined by national and international authorities, including in the European Commission's recommendation 'Improve accessibility of the health system and strengthen its resilience, including by responding to health workforce's needs'. While this will be an area of focus for Ireland's NRRP. Coalition 2030 has not had the opportunity to gather information on these issues. At this stage, we would underline that the NRRP should address targets and indicators under SDG 3 (Health and Wellbeing), as well as SDG Target 5.4 (Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies...), SDG 8.8 (Protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment), SDG 10.4 (Adopt policies especially fiscal, wage, and social protection policies and progressively achieve greater equality) and SDG 16.6 (Develop effective, accountable and transparent institutions at all levels). Coalition 2030 would welcome the opportunity to provide more detailed information on these issues at a later date.

7.6 The Covid-19 pandemic is equally having significant social and economic impacts on developing countries. Although Ireland's international response is not the focus of the NRRP, Coalition 2030 would underline that Ireland's recovery and response is not taking place in a vacuum and must respond to the greater difficulties faced by development countries. Ireland should provide additional resources to assist more vulnerable communities respond to the health crisis. It should build on its renowned international development and humanitarian experience and expertise of Irish NGOs to provide immediate relief to people and sectors most in need. Targets and indicators on international partnerships under SDG 17 are particularly relevant in this regard.

8 Climate and Biodiversity Emergencies

8. 1 Coalition 2030 welcomes the Commission's Country Specific Recommendations in 2020 and 2019 to focus investment on the green transition, including with regard to energy, transport, digital and water infrastructure, and affordable and social housing

⁹ European Commission Staff Working Document, Delivering on the UN's Sustainable Development Goals.

https://ec.europa.eu/info/sites/info/files/delivering_on_uns_sustainable_development_goals_staff_working_document_en.pdf

8.2 Regarding the 37% allocation of funds for climate measures, it is important that the NRRP specifies the targets and conditionalities that this funding must support. It is essential therefore that the NRRP specifies Ireland's commitment to SDG 13 Climate Action and Ireland's commitment under the Paris Agreement. In terms of national policy, the NRRP should address both the new forthcoming SDG Implementation Plan and Climate Action Plan from the Department of Environment, Climate and Communications and also demonstrate how it supports climate and environmental commitments under the Programme for Government. In particular, the NRRP must fully align with the PfG commitment to an average 7% annual reduction in emissions and legally-binding 5-year carbon budgets, to be introduced through new amending legislation in the Oireachtas.

8.3 There are significant financial risks associated with investments into fossil fuels which can create a long-term burden on public budgets, hamper recovery effects and run the risk of stranded assets which are particularly acute in the Irish case, **as noted in recent EPA** research. Fossil-fuels based activities and projects must be explicitly excluded from receiving money under the NRRP.¹⁰

8.4 As noted by NESC, it is equally important that funding for measures outside of the 37% allocation for green measures deliver on the SDGs by **attaching clear conditions to such measures that they must provide developmental outcomes for the public good**. ¹¹ Every community has a role to play in meeting SDG commitments, and challenges facing regions already left behind or struggling with a transition are now even more acute with the Covid-19 crisis. The NRRP should seek to apply a just transition approach that is fair and participative. NESC has also undertaken research which highlights the important role of a just transition approach as part of Ireland's climate action measures.

8.5 Ireland's Climate Change Advisory Council has previously raised concerns with the extremely broad and vague definition of 'climate related expenditure' used as part of Ireland's approach to Green Budgeting (see section 6.3.3 of the Council's 2019 review). We would have similar concerns about any categories/markers which are largely divorced from relevant SDG indicators, as well as climate obligations under national and EU law.

8.6 The NRRP should put forward investment and reforms in support of nature-based solutions as an important resilience measure for rural areas, as well as action on climate and biodiversity. Consideration should be given to accelerated restoration of raised bogs, at risk habitats, including coastal areas and nature reserves. For example, Portugal's Resilience and Recovery Plan includes significant investments into forest management and cultivation and also includes additional investment maritime biodiversity protection.¹²

¹⁰ See further information in the Joint EU NGO Briefing 'EU funds need to catalyse the transition away from fossil fuels, December 2020

https://wwfeu.awsassets.panda.org/downloads/briefing_for_member_states_on_recovery__transition_an_d_structural_funds___december_2020.pdf

¹¹ NESC Secretariat Covid-19 Working Paper Series Progressing Sustainability in the Context of Covid-19: Grasping the Opportunity July 2020 <u>https://www.nesc.ie/news-events/press-releases/progressing-</u> sustainability-and-grasping-the-opportunity-to-change-nesc-secretariat-paper/

¹² As noted in E3G <u>Briefing Paper</u> Drafting Recovery Plans For A Resilient And Green Economy An Overview For Policymakers November 2020