COVID-19 and the SDGs
The impact of the coronavirus pandemic on the global sustainability agenda

By Jens Martens, Bodo Ellmers and Vera Pokorny

The COVID-19 pandemic and the policies with which governments have responded to it have had a serious impact on the global sustainability agenda. While the full extent of the pandemic and its impacts cannot yet be assessed, there is an evident risk that the pandemic will jeopardize the achievement of the internationally agreed Sustainable Development Goals (SDGs) in their entirety.

Preliminary forecasts by the United Nations, the World Bank and other international organizations warn that the already fragile progress made in reducing poverty and malnutrition over the past decades will be reversed. The inevitable global economic downturn, already begun, does not spare any country. Unemployment has risen dramatically along with new forms of precarious employment. Measures to combat global warming and the extinction of species threaten to move down on the list of political priorities. Falling state revenues and growing debt will limit the fiscal space for policy action from the global to the municipal level.

For each of the 17 SDGs, this briefing summarizes preliminary estimates on the actual or likely impacts of the global coronavirus crisis, using a few specific examples. It illustrates that the 2030 Agenda will not be reached and its Sustainable Development Goals will not be achieved if they are not systematically taken into account in all policy responses to the crisis.

No Poverty

The global number of people living in poverty is rising for the first time in 30 years as a result of the coronavirus pandemic and resulting lockdown. Day labourers, agricultural workers and employees in small and medium-sized enterprises in the informal sector are particularly affected. From one day to the next, they were deprived of their livelihoods by the worldwide lockdown measures. The International Labour Organization (ILO) estimates that around 1.6 billion workers in the informal sector worldwide have been affected. The income of informal sector workers has already fallen by around 60 percent in the first months of the crisis. This is particularly devastating in countries that lack an adequate social security system. According to ILO figures, 73 percent of the world population lack sufficient coverage. While in 2018, the estimated number of people in extreme poverty, that is, on less than US$ 1.90 per day, was 759 million, the numbers are on the rise again.

Initial estimates published by the UN University suggest that the number of people living in extreme poverty could rise by **85-420 million** as a result of the global economic recession (with a decline in average per capita income of 5-20 percent). Thus, the number of people living in extreme poverty could exceed 1 billion this year.

**Zero Hunger**

The UN Food and Agriculture Organization (FAO) has cautioned that the coronavirus crisis could become a global food crisis unless rapid action is taken to protect the most vulnerable, maintain global supply chains and mitigate the impact of the pandemic on the entire food system. The number of chronically malnourished people had already been rising again since 2015, to 821 million in 2018. There is a risk that this trend will now be exacerbated by the effects of the coronavirus crisis. In many regions, the shortage of fertilizers, seeds and veterinary medicines on the one hand, and the decline in demand on the other, have had a significant impact on agricultural production. This is further compounded by climate-related crop failures and damage, including the locust infestation in East Africa. According to the Global Report on Food Crises 2020, 135 million people currently suffer from acute food insecurity and famine. The UN World Food Programme (WFP) predicts that an additional 130 million people could be pushed to the brink of starvation by the end of 2020 due to the crisis. The head of the WFP warned of “famines of biblical proportions”; a quarter of a billion people could suffer acute starvation.

**Good Health and Well-being**

The goal of ensuring a healthy life for all people of all ages is most directly affected by the COVID-19 pandemic. By mid-June 2020, the WHO counted more than 7 million infected persons and more than 400,000 registered deaths. The continued failure to adequately implement SDG 3 in recent years is now taking its toll. This is particularly true of Target 3.c, to significantly increase health financing and the recruitment of health workers, and Target 3.d, to strengthen the capacities of all countries in the areas of early warning, risk reduction and management of national and global health risks. To make things worse, even before the outbreak of the coronavirus crisis, austerity policies had already caused a reduction in public health spending and deterioration in health care provision in many countries. This situation will deteriorate further as a result of the global

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3 [https://doi.org/10.35188/UNU-WIDER/2020/800-9](https://doi.org/10.35188/UNU-WIDER/2020/800-9)
9 [https://covid19.who.int/](https://covid19.who.int/)
economic recession, and this even applies to rich countries such as the United States, where at least 27.5 million people were not covered by health insurance prior to the crisis. Because many employees in the USA are insured through their employer, the rapid rise in unemployment means that up to 43 million people may lose their insurance coverage in the USA alone.\(^{10}\) For many chronically ill people, this is essentially a death sentence.

**Quality Education**

In response to the pandemic, schools and universities all over the world were temporarily closed. According to UNESCO, over 1.6 billion school and university students in 194 countries were affected by the pandemic by the beginning of May 2020.\(^ {11}\) This has social and economic consequences far beyond the educational role of the schools and the period of the actual closures.\(^ {12}\) For example, 370 million children did not receive school meals in April 2020 due to school closures. UNICEF Executive Director Henrietta Fore warned:

"School is so much more than a place of learning. For many children it is a lifeline to safety, health services and nutrition. Unless we act now – by scaling up lifesaving services for the most vulnerable children – the devastating fallout caused by COVID-19 will be felt for decades to come."\(^ {13}\)

**Gender Equality**

The coronavirus crisis has hit women particularly hard and increases the already existing socio-economic disparities. Worldwide, almost 70 percent of the personnel in care and nursing professions are women.\(^ {14}\) Moreover, women do three times as much unpaid care work as men. It is mostly women who take care of the sick, whether professionally, for generally low wages, or within the family as unpaid labour. Women are therefore more exposed to the virus and carry a higher risk of infection. As the capacity of health systems is absorbed by their need to respond to the pandemic, the availability of sexual and reproductive health services is reduced, which can lead to an increase in maternal and child mortality. However, the problems reach far beyond health care and nursing. A large share of women worldwide work in informal employment and in precarious jobs. As a result, women more often lack social protection, quickly lose whatever income they had

\(^{10}\) [https://www.theguardian.com/us-news/2020/may/10/us-health-insurance-layoffs-coronavirus](https://www.theguardian.com/us-news/2020/may/10/us-health-insurance-layoffs-coronavirus)

\(^{11}\) [https://en.unesco.org/covid19/educationresponse](https://en.unesco.org/covid19/educationresponse)

\(^{12}\) [https://en.unesco.org/covid19/educationresponse/consequences](https://en.unesco.org/covid19/educationresponse/consequences)


and are thus disproportionately affected in economic terms.\textsuperscript{15} The worldwide quarantine measures have also led to a significant increase in domestic violence.\textsuperscript{16}

\textbf{Clean Water and Sanitation}

The rapid spread of the coronavirus has demonstrated the importance of hygiene measures and access to clean water. However, 40 percent of the world's population, roughly 3\textbf{ billion people}, still lack the means to wash their hands with soap at home.\textsuperscript{17} The United Nations has called it a "global hygiene crisis" that has also affect hospitals and health care facilities: One in six of these facilities do not have the necessary hygienic facilities. As a result, every tenth patient falls ill with an avoidable infection during treatment.\textsuperscript{18} The containment of the coronavirus pandemic is massively impaired by the lack of clean water and sanitary facilities.\textsuperscript{19} In order to reduce the risk of new COVID-19 waves, and to prevent future pandemics, public infrastructure for water supply and sanitation needs to be expanded considerably, especially in poorer regions.

\textbf{Affordable and Clean Energy}

The months-long closure of production facilities as a result of the lockdowns in combination with reduced public and private transportation usage has led to a decline in energy demand. This also had an impact on oil prices, which have experienced a particularly drastic drop as a result of the dispute between the OPEC cartel and Russia over the limitation of production volume. In the USA, prices even plunged into the negative category in April due to an oversupply of crude oil. World market prices have remained at low levels since, despite the agreement of oil exporting countries to reduce production. At the beginning of May 2020, at \textbf{US$ 25-30}, they were more than 50 percent lower than at the beginning of the year. While this makes the environmentally harmful production of shale oil fracking and tar sands exploitation less profitable, it also means lower gasoline prices. From an ecological point of view, this is bad news, because it makes the transition to clean, especially renewable energies and electromobility less economically attractive. On the other hand, for low income groups the access to affordable energy (SDG 7.1) might improve in the short term as a result of the fall in oil prices.

\textsuperscript{15} \url{https://www.unwomen.de/helfen/helfen-sie-frauen-in-der-corona-krise/corona-eine-krise-der-frauen.html}
\textsuperscript{16} \url{https://news.un.org/en/story/2020/04/1061052}
\textsuperscript{17} \url{https://www.unwater.org/water-facts/handhygiene/}
\textsuperscript{19} \url{https://www.unwater.org/coronavirus-global-health-emergency/}
Decent Work and Economic Growth

The coronavirus crisis has led to an unprecedented slump in economic activity. In its World Economic Outlook of April 2020, the International Monetary Fund (IMF) predicted a global recession, with the world economy as a whole contracting by 3 percent. Prior to the outbreak of the pandemic, growth of 3.3 percent had been forecast for 2020. The economy of the European Union is expected to shrink by 7.4 percent. Latin America might face the worst recession ever with minus 5.2 percent. Low Income Developing Countries (LIDCs) would avoid recession according to the IMF estimates, growing by 0.4 percent. However, according to SDG 8.1, the Least Developed Countries (LDCs) should reach an annual growth rate of at least 7 percent, which they are going to miss by a wide margin (although in principle the adoption of GDP or economic growth as a measure of development is highly controversial).

The coronavirus pandemic and recession are accompanied by massive job losses. The ILO expects that the lockdown phase in the second quarter of 2020 has already led to the temporary loss of 305 million full-time jobs. The consequences are even worse for some 2 billion workers in the informal economy, who are left without any social security, and many of whom have lost their livelihoods as a result of the global lockdown.

Industry, Innovation and Infrastructure

The vulnerability of the globalized world economy with its complex supply chains was mercilessly exposed by the coronavirus crisis. Early on, the impact of the coronavirus crisis in China led to worldwide production problems for complex products such as cars, for which needed components could no longer be circulated and delivered just in time as usual. As the pandemic has continued, and spread, countries all over the world have closed factories. Nearly all countries introduced travel restrictions and closed borders. International air traffic was reduced to a minimum. It remains to be seen whether the deglobalization trends predicted by some will materialize, with companies cutting back on supply chains after the crisis, repatriating production processes.

The international division of labour in the production of essential health care goods has proven to be particularly problematic. Even rich countries have had problems meeting their demand for medical equipment and sanitation products on the world market after some producing countries temporarily suspended exports out of national self-interest. Poor countries were de facto excluded from access to essential products by the price explosion that came with the increase in demand.

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This, too, led many countries to reconsider which goods should be produced in a sovereign manner at the national level.  

### Reduced Inequalities

The long-term effect of the coronavirus crisis on the distribution of income and wealth is still difficult to quantify. The stock market plunge in March initially led to a huge destruction of wealth that has hit the rich. By the second half of March, the market capitalization of listed companies worldwide had fallen by 25 percent. However, stock markets recovered quickly after central banks around the world began to inject fresh money into the economy, driving stock prices back up.

By contrast, the massive job losses caused by the pandemic and resulting closures could increase levels of inequality in the long term. The ILO expects income losses for workers of between US$ 860 billion and US$ 3.4 trillion. Workers at small and medium-sized enterprises, precarious workers and day labourers are the hardest hit. Migrant workers are also affected, which will drastically reduce remittances to their families in their home countries. In countries such as El Salvador, Haiti, Honduras and Nepal, among others, remittances are a very significant source of revenue, surpassing levels of official development assistance (ODA).

Socio-economic factors significantly influence how badly individuals are affected by the crisis. In multi-ethnic countries such as the USA, for example, there are large differences in the mortality rates of coronavirus-infected people, with African-Americans in particular disproportionately affected.

### Sustainable Cities and Communities

More than 3.9 billion people - half the world’s population - were affected by the lockdown decisions of their governments in April 2020. But for many of them, the appeals to stay at home and keep at physical distance seem cynical. After all, more than 1 billion people worldwide live in densely populated slums or informal settlements. Many live in cramped conditions and often have no access to the most vital public services such as water, sanitation and electricity. The slums are a perfect breeding ground for viruses.

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The same is true for the overcrowded refugee camps in countries such as Bangladesh and Greece, where the occupants are forced to live in inhumane conditions. In mid-May, the WHO confirmed the first case of COVID-19 in one of the camps in Bangladesh, where 1 million Rohingya are crammed together in a very confined space. In refugee camps, the demand for physical distancing is a farce, and the risk of a rapid spread of the virus is inevitable.

**Sustainable Consumption and Production**

The global disruption of supply chains and the closure of shops and restaurants has had a significant impact on consumption and production. On the one hand, long term provisioning and even panic buying of some items became widespread all over the world, which drove up prices for essential goods. At the same time, many food banks received less food for redistribution to people in need, as supermarkets had hardly any goods left to donate. In some countries, agricultural products were destroyed to a considerable extent because the channels to the final consumers were interrupted. In the USA, Dairy Farmers of America, the country's largest dairy cooperative, estimated that farmers had to pour away up to 14 million litres of milk every day in April. A single chicken producer destroyed 750,000 unhatched eggs every week. On a more positive note, the shortening of supply chains and a greater focus on regional products also present an opportunity for more sustainable consumption and production patterns - provided these trends survive the crisis.

**Climate Action**

Greenhouse gas emissions continue to be influenced by economic output, despite all political declarations of intent and technical attempts to decouple the two. Consequently, the closure of entire sectors of the economy in the spring of 2020 naturally also resulted in less emissions. According to the International Energy Agency (IEA), global CO₂ emissions from fossil fuels will decrease by 8 percent in 2020. This means that some countries would, completely unexpectedly, reach their national CO₂ emission targets. This is true for Germany, for example, where CO₂ emissions are expected to fall by 50 million tonnes in 2020.

Nevertheless, the CO₂ concentration in the atmosphere continues to rise, albeit at a slightly reduced rate. At the beginning of May 2020, the Mauna Loa measuring station in Hawaii reported a new record of over 418 ppm (parts per million).

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32 [https://www.esrl.noaa.gov/gmd/ccgg/trends/monthly.html](https://www.esrl.noaa.gov/gmd/ccgg/trends/monthly.html)
Moreover, according to the UN the greenhouse gas reductions will be short-lived.\textsuperscript{33} When air and vehicular traffic and manufacturing production resume, emissions might even increase faster than predicted before the coronavirus crisis because necessary innovation and transformation processes have been stopped or slowed down. The ailing aviation industry is already lobbying against taxes on aviation fuel, which are planned as part of the new EU Green Deal.\textsuperscript{34} The car industry is demanding state-subsidized purchase premiums.\textsuperscript{35} In contrast, this year's UN climate summit in Glasgow, which should have pushed forward the global climate agenda, has been postponed.\textsuperscript{36}

**Life Below Water**

For the world’s oceans, the coronavirus crisis could have positive effects, at least in the short term. A study by the UN Economic and Social Commission for Asia and the Pacific (UN ESCAP) suggests that the temporary slowdown of economic activities due to the crisis, as well as reduced traffic on the seas and lower demand for marine resources, could give the oceans the "much-needed breathing space" to recover from pollution, overfishing and the effects of climate change.\textsuperscript{37} However, ecologists warn of a reverse trend: the COVID-19 pandemic has led to a boom in plastic waste. Hygiene regulations and the falling price of oil and the plastics produced from it threaten to undo years of progress in the prevention and recycling of plastics.\textsuperscript{38}

**Life on Land**

While there are still different hypotheses about the origin of the novel coronavirus, an increasing number of ecologists warn that the probability of pandemics increases with the continued destruction of ecosystems and biodiversity. Josef Settele, who co-chaired the work on the Global Assessment Report of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) on the state of ecosystems and biodiversity, points out that "shrinking habitats and associated behavioral changes in animals contribute to the risk of transmitting diseases from animals to humans."\textsuperscript{39} The vast majority of pathogens are still to be discovered, the risk of future pandemics remains high.

The majority of the targets for SDG 15 were derived from the Aichi targets of the UN Convention on Biological Diversity and should be met by 2020. Negotiations are therefore currently underway to

\textsuperscript{34} https://corporateeurope.org/en/2020/04/coronawash-alert
\textsuperscript{35} https://www.handelsblatt.com/politik/deutschland/autohersteller-streit-um-kaufanreize-ig-metall-chef-und-oekonomen-warnen-vor-neuer-abwrackpraemie/25821972.html?ticket=ST-1893201-Qo8mKuDtyKOn6naXG00-ap1
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\textsuperscript{37} https://unfccc.int/news/story/2020/05/1063832
\textsuperscript{39} https://www.riffreporter.de/flugbegleiter-koralle/pandemie-interview-settele-spaengenberg/
develop a post 2020 global biodiversity framework. However, the first draft is not nearly transformative enough to stop the global loss of biodiversity, even by UN estimates. The Manager of the UNDP Global Programme on Nature for Development, in response to the coronavirus crisis is therefore calling for a "Marshall Plan for Nature", a plan that would invest in the protection, restoration and sustainable management of biological diversity. The Conference of the Parties, at which the new framework was to be adopted, was scheduled to take place in China in October 2020. It was postponed indefinitely.

**Peace, Justice and Strong Institutions**

In many countries, the coronavirus pandemic has led to an unprecedented restrictions on fundamental rights and freedoms, many of which were temporary and appropriate. But some countries have seen measures where crisis management has been just an excuse for further restricting freedom of speech, opinion and the press. Within the EU, the rule of law has been further undermined in already critical cases such as Hungary and Poland. Moreover, conspiracy theories are booming during the pandemic, which has resulted in attacks on ethnic minorities, for example on Muslims in India.

Another controversial issue is the use of tracing apps. These can slow down the spread of the virus, as they make it possible to determine with whom infected persons have come into contact. However, the recorded information can also be misused. Amnesty International warns that some governments are using the coronavirus crisis as an instrument to expand digital surveillance of the population, thereby undermining human rights.

**Global Partnership for Sustainable Development**

The coronavirus crisis is a particularly hard blow for the potential to finance sustainable development in the long term. Wealthy countries responded to the pandemic and resulting lockdown with enormous stimulus packages, financed by a mix of fiscal and monetary policy measures. This initially mitigated the impact on their populations. However, deficit spending is driving up public debt levels and is starting to cause debt sustainability concerns, which could lead to budget cuts in the years to come, unless mitigated by other measures. Alternative policy
measures to austerity that are already being discussed include wealth taxes, corona-bonds and debt cancellations.

The countries of the Global South are particularly affected by the economic fallout of the coronavirus crisis. Many of them have little fiscal space and are very dependent on external financing. The rapid decline in commodity prices has resulted in a drastic decline in export revenues (UNCTAD estimates that this will amount to US$ 800 billion in 2020). Declining remittances from migrant workers to their home countries (the World Bank expects a decline of 20 percent to around US$ 445 billion) will also cause a loss in revenue. Many currencies have already been devaluated against the US dollar. In this situation, the countries of the Global South would have to repay the enormous amount of US$ 2.7 trillion in sovereign debt in 2020 and 2021.

The international community has already adopted a first initiative related to the exacerbating debt problems. The G20 offered to let 73 low income developing countries suspend payments on bilateral loans for the rest of the year. This is insufficient, however. If the debt burden is to remain sustainable in the long term, actual debt cancellation is needed, and private and multilateral creditors would also have to be involved.

In addition, the IMF, regional development banks and various UN organizations have set up aid programmes for poorer countries in record time. However, in most cases, the "aid" consists mainly of new loans (not grants) and therefore threatens to increase the debt burden even further. In other cases the support consists of reprogrammed funds that are taken from other areas to finance specific measures in the health sector. This will negatively impact those other areas and will delay the financing of the corresponding development goals.

If the implementation of the 2030 Agenda is to be continued even under the conditions of the coronavirus crisis, the richer countries must make achieving the SDGs an integral part of all measures taken at home, and mobilize additional official development assistance for the particularly affected countries of the Global South.

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Further information

Coronavirus portal of the United Nations

WHO coronavirus website
https://www.who.int/emergencies/diseases/novel-coronavirus-2019

Global Policy Watch (English/Spanish)
https://www.globalpolicywatch.org