The State of Parana, Brazil: **THE SDGS AS A TOOL TO ADDRESS TERRITORIAL DISPARITIES**

**Key highlights**

- The State of Parana, Brazil, sees the SDGs as a powerful tool to reduce territorial disparities and promote exchange of good practices among municipalities.
- Parana is working to mainstream the SDGs in budgeting and to strengthen financial support to municipalities in advancing implementation of the SDGs.
- The State is also promoting collaboration amongst different levels of government, the private sector and civil society to leverage efforts on the implementation of the SDGs.

The State of Parana is placing important efforts to mainstream the SDGs in budgetary planning. Paraná is aligning its multiannual plan (PPA) for 2020-2023 and other tools for planning and budgeting (indicators, good practices, benchmarking, etc.) with the SDGs. The Audit Court of the State of Parana, as a partner supporting the Social and Economic Development Council (CEDES), is leading this work by analysing the 2016 – 2019 PPA and extracting lessons for the development of the PPA 2020 – 2023. In particular, the Court has: i) examined the link of ongoing public policies with the SDGs; ii) evaluated budget expenditures related to the SDGs; iii) developed methods to generate evidence to improve decision-making on the SDGs policies; and iv) analysed the official indicators related to the budget and planning processes (Figure 1).

In parallel, Parana is also strengthening its financial support to municipalities to help them advance the implementation of the SDGs. For instance, cities can access specific funding for institutional strengthening programmes and investments in urban infrastructure. The state is also working on the identification of local, national and international partners that can expand the funding base to support municipalities in their localisation efforts. However, several municipalities face challenges to fund projects contributing to the implementation of the SDGs, administrative red tape being the key challenge.

The state of Parana is measuring 13 SDGs and 44 targets with 83 indicators in 399 municipalities. These indicators are calculated with data from national surveys that are regularly published (periodically and some of them on a yearly base). If data is not available, official registries and proxies at regional level can be used. The state is working to complement the initial 83 indicators by 2020, which are under review to check consistency and viability at the local level. The State of Parana is using the Business Intelligence tools to monitor the evolution for the SDGs and to better support the decision making process related to the achievements of the goals. The main objective is to deliver public policies that are more effective. Based on the “BI Paraná Keeping an Eye on SDGs”, the government is planning to create a system-based report that will help the state and municipalities into the development of a diagnosis to identify priority SDGs. In addition to the BI tool, there is a digital platform to share good practices in the state. It aims to stimulate the replication of good practices and contribute to a better quality of life by registering and disseminating initiatives from all sectors in the state related to the SDGs.

**Figure 1. State Audit Court initiatives to mainstream the SDGs into the budget**

![Image of State Audit Court initiatives to mainstream the SDGs into the budget](source: OECD elaboration based on the State Audit Court presentation.)
Parana is establishing partnership agreements to implement the SDGs with the 399 municipalities. Since the beginning of the Social and Economic Development Council of Parana’s (CEDES) mandate in 2016, mayors have mobilised to ensure the involvement of municipalities. By November 2019, 16 out of 19 Regional Associations and 315 municipalities had engaged with the State to join a municipal capacity building strategy. A key challenge to involve municipalities is the lack of updated statistics (due to their dependence on census data).

Parana is promoting agreements at different levels of government as well as with the private sector and civil society to implement the SDGs. The state is using the “Paraná de Olho nos ODS” (Parana keeping an eye in the SDGs) pledge to gain public support from a wide variety of institutions including, state, private sector and civil society actors. The pledge encourages institutions to mainstream the 2030 Agenda in their internal functioning, and to engage with other partners. Parana also works to strengthen communication between governments and civil society to better engage citizens in the implementation of the SDGs. For instance, the SDGs art project uses artistic and cultural manifestations to stimulate dialogue on the Agenda 2030.

Parana uses a range of tools to leverage private sector contribution toward the SDGs. Private companies are aligning their business plans and strategies with the SDGs in order to reduce environmental impacts and promote social justice. For instance, companies such as TCP and COPEL are involved in international benchmarks on sustainability. Another example is Sanepar, responsible for water supply and sanitation services in 346 municipalities, which has integrated the SDGs into its National Sanitation Quality Award certification processes.

**FORWARD LOOKING POLICY RESPONSES**

Use the SDGs as a tool to reduce disparities within and across municipalities and to promote exchange of good practices. The State of Parana should use the SDGs as a tool to tap into the full potential of each territory, both large cities and small municipalities. The SDGs can be used as a framework to promote knowledge exchange among municipalities.

Strengthen the coordinate between the strategies/policies of the State for lagging territories with the actions of the development banks, in particular concerning the Brazilian Southern Region Development Bank and Paraná S.A. Development Agency - Fomento Paraná. The SDGs offer a framework to align the priorities and the actions of the State with the ones of the development banks to support less developed territories.

Improve access to funding for small municipalities, including through capacity building and awareness raising activities. One of the main challenges for small municipalities is the access to funding to implement the SDGs. Awareness raising campaigns and targeted capacity building programmes should be implemented to bridge this gap.

Strengthen SDGs data and statistics at local level, in particular on the environmental dimension. The SDGs should be seen as an opportunity to overcome the strong reliance on Census data, expand data coverage for municipalities, including in the BI tool, and collaborate with the federal statistical institute on SDGs indicators.

The federal government should strengthen its engagement with States and municipalities on the SDGs. The former National Commission 2030 Agenda had a seat for the Association of LRGs, but this was not reflected in concrete actions to engage the territorial actors. The Federal government could use the SDGs as a tool to better engage sub-national government on sustainable development policies and actions, including through the VNR process.

Further engage mixed-economy companies, SMEs as well as the civil society in the policy-making process through the SDGs. Big mixed-economy companies (e.g. Sanepar and COPEL) are quite active on the SDGs and they can inspire and share knowledge with other companies, including SMEs. In terms of CSOs, youth should be key actors in the implementation of the SDGs in Parana.