



INTEGRATED SDG INSIGHTS CHILE

This initiative supports the articulation of national commitments to SDG transformation, towards accelerated SDG action in the second half of the 2030 Agenda.



HOW TO READ THIS REPORT



Integrated SDG Insights provides an overview of a country's economic growth trajectory, highlighting potential conflicts between growth, environmental concerns, and societal well-being (referred to as the **SDG Moment**).



It builds from the foundation of national SDG progress through the lens of the 5Ps and uses machine learning to analyse national development ambition with an SDG lens (**SDG Trends & Priorities**).



Combined, these insights are mapped against SDG interlinkages to define policy choices that accelerate SDG progress, tailored to national context (**SDG Interlinkages**).



These policy choices are made against fiscal constraints and opportunities for stimulus to ensure choices translate to development impact and leave no one behind (**Finance & Stimulus**).

SDG MOMENT: CHILE

While economic growth is a key element in achieving the SDGs, many countries are intent on moving beyond growth as a yardstick for progress. In the short run, growth enables the SDGs; but in the long run, the SDGs aim to transform the pattern of growth itself.

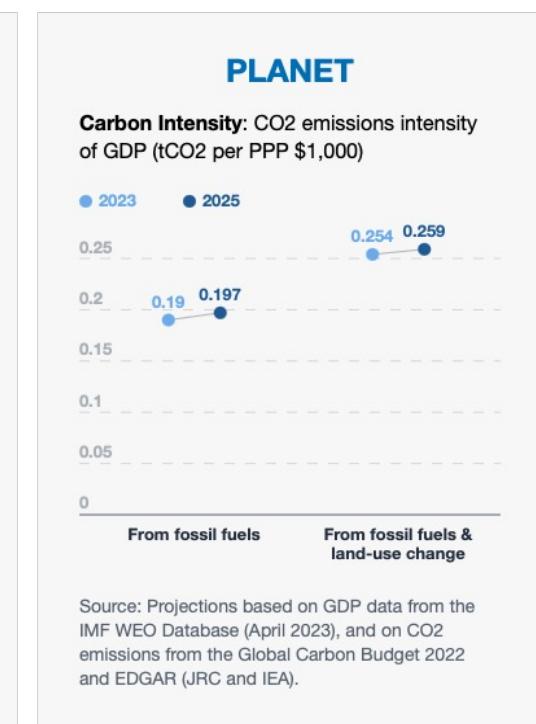
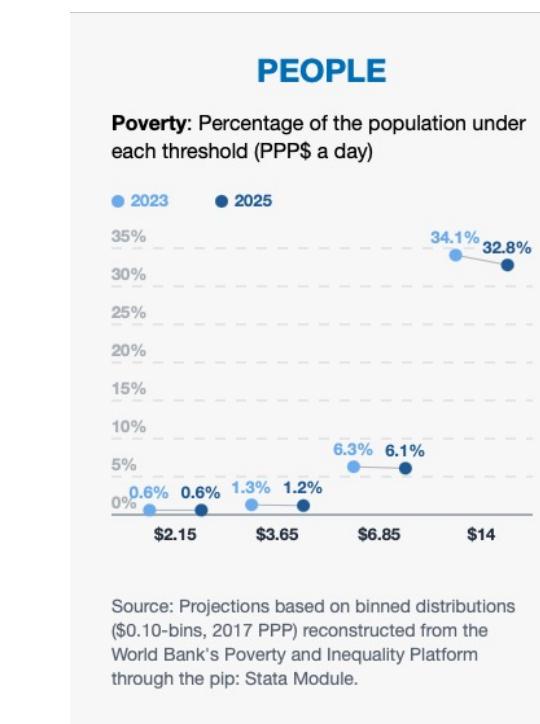
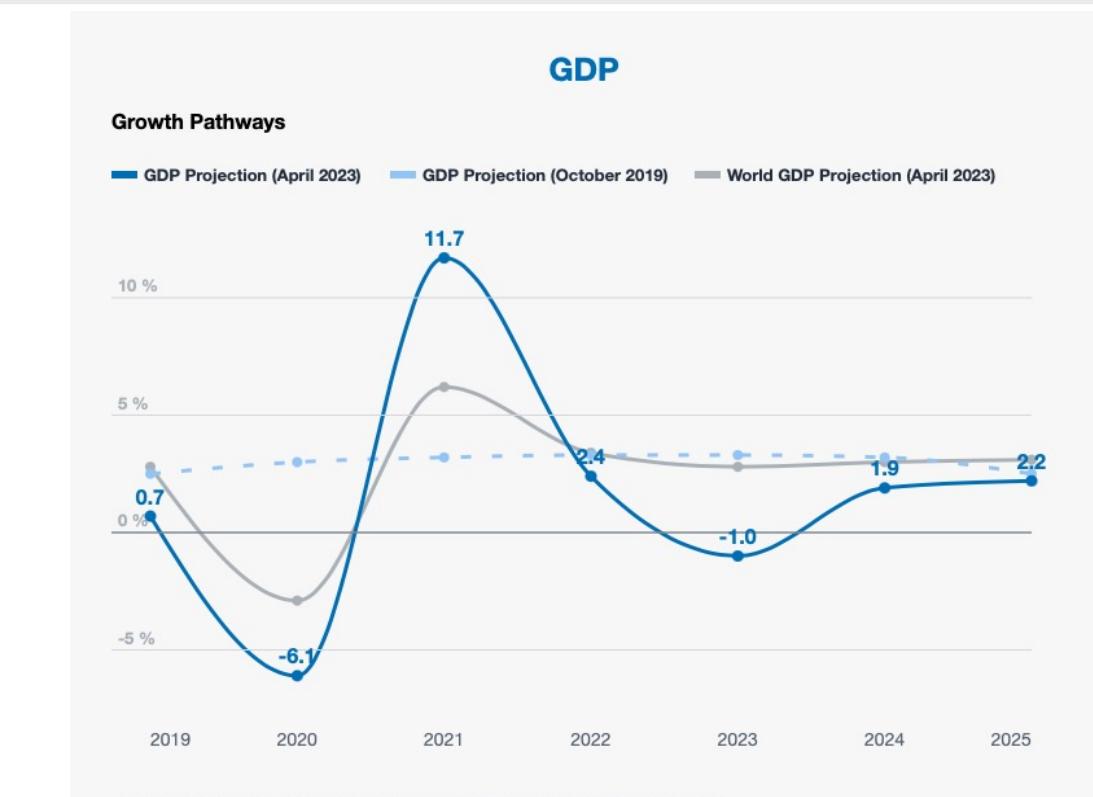
Chile's economy is projected to contract in 2023 and transition into mitigation mode in 2024-2025.¹ This pace of growth is characterized by being almost 70% lower (on average over the 2023-2025 cycle) than both the global projection and the country's growth trajectory forecast before the pandemic.¹ Accordingly, Chile's commitments to achieving the SDGs are focused on increasing people's well-being.

This economic expansion is expected to exert only a moderate impact on poverty reduction —bringing to the fore the urgency to address key distributional challenges to accelerate progress. Chile's economic growth, on the other hand, would be increasingly dependent on carbon emissions as the country's carbon emissions intensity of GDP is projected to increase at an annual rate of 2% due to fossil fuel usage under current conditions, and of 1% when also considering land-use change.²

In 2021, Chile's Human Development Index dropped from 0.855 to 0.722 when adjusted for inequality showing a 15.6% decline in the country's human development.

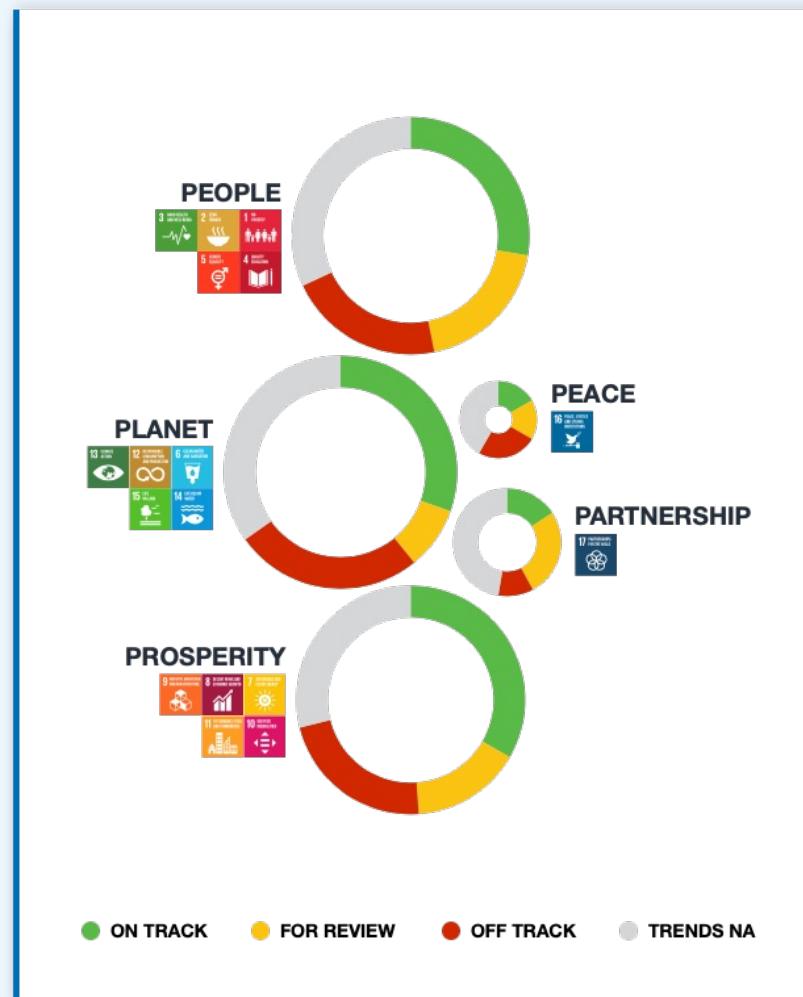
¹ The economic cycle is determined by adjusting the country's current GDP growth forecasts (April 2023) by their gap relative to the forecasts made before the pandemic and subsequent crises (October 2019). If the adjusted rates (not shown) are below 2%, the economy is considered in mitigation; it is coping if the adjusted rates range between 2%-4%, and it is in acceleration if they are above 4%.

² CO₂ emissions intensity of GDP is computed as tonnes of CO₂ per \$1,000 (2017 PPP).



SDG TRENDS

Understanding how Chile performs against the SDG targets provides a baseline landscape against which to build integrated SDG pathways. SDG progress tracking follows [UN Stats](#) standards and [methodology](#), and is aligned with country profiles.



Trends in detail:

<https://data.undp.org/sdg-push-diagnostic/CHL/sdg-trends>

SDG PRIORITIES

Chile's national priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents. This analysis uses a custom-built model for SDG classification. It considers 100k+ terms, including phrases and expressions.



Key documents for analysis:

1. Estrategia de implementación de agenda 2030
2. Plan de gobierno de G.Boric 2022-2026
3. Plan de gobierno de S.Piñera 2018-2022
4. Documento de las contribuciones determinadas a nivel nacional (NDC por sus siglas en inglés)
5. Cuenta pública 2023 de G.Boric
6. Cuenta pública 2023 del ministerio de medio ambiente
7. Cuenta pública 2023 del ministerio de economía
8. Cuenta pública 2023 del MDSF
9. Ley Marco de Cambio Climático

Priorities in detail:

<https://data.undp.org/sdg-push-diagnostic/CHL/current-priorities>

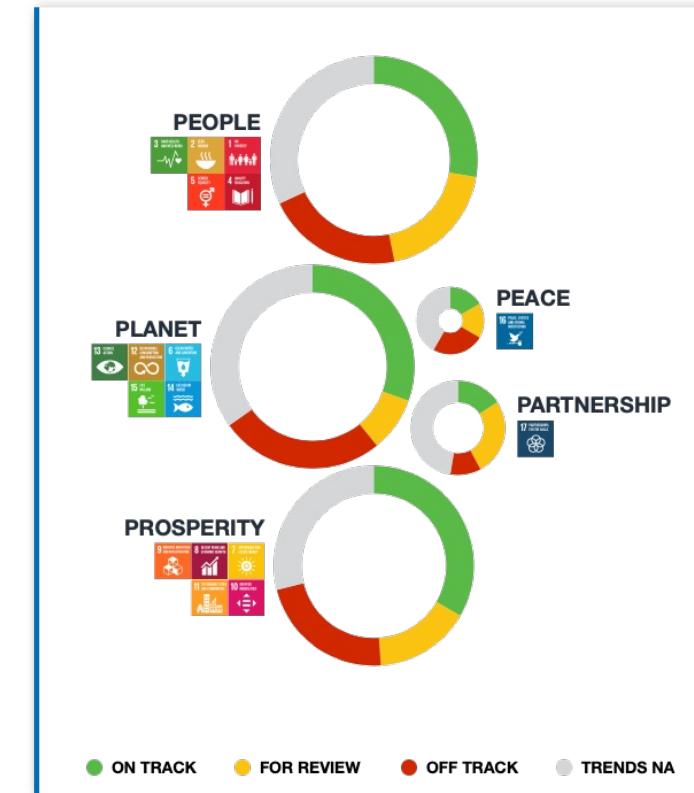
SDG INTERLINKAGES

SDG interlinkages reveal how actions directed towards one SDG can impact others. Uncovering and understanding these interactions can help Chile to achieve the 2030 Agenda for Sustainable Development and to navigate trade-offs.

Based on a global framework for interlinkages, Chile's SDG progress is colour-coded at the target level.

Building from national trends and priorities, the following integrated SDG pathways reflect policy choices with the most potential to accelerate the SDGs for Chile:

- Target 1.2: Reduce poverty by at least 50%
- Target 5.2 & 5.4 : Eliminate all forms of violence against all women and girls in public and private spheres & Value unpaid care and promote shared domestic responsibilities
- Target 8.4: Improve resource efficiency in consumption and production
- Target 8.5: Full employment and decent work with equal pay
- Target 8.6: Promote youth employment, education and training
- Target 10.1: Reduce income inequalities
- Target 11.1: Safe and affordable housing
- Target 13.2: Integrate climate change measures into national policies, strategies and planning
- Target 16.6: Develop effective, accountable and transparent institutions.



ACCELERATION PATHWAYS



SDG INTERLINKAGES

1.2: By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions

Chile faces the challenge of decreasing multidimensional poverty, which affects rural areas more prominently. Additionally, there is a need to reduce territorial and social gaps in access to services and opportunities, which influence the quality of life and well-being of individuals, and to strengthen public policies on social protection and productive inclusion, which will help prevent and mitigate the effects of poverty and vulnerability.

Addressing multidimensional poverty with a coordinated multisectoral approach, will result in greater food security, particularly for the poor and those in vulnerable situations (goal 2.1). Furthermore, it will provide more protection against financial risks linked to adverse health events (SDG 3) and enable access to quality education (SDG 4). It also contributes to ensuring full and effective participation of women and equal leadership opportunities (goal 5.1 and 5.5).

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SDG INTERLINKAGES

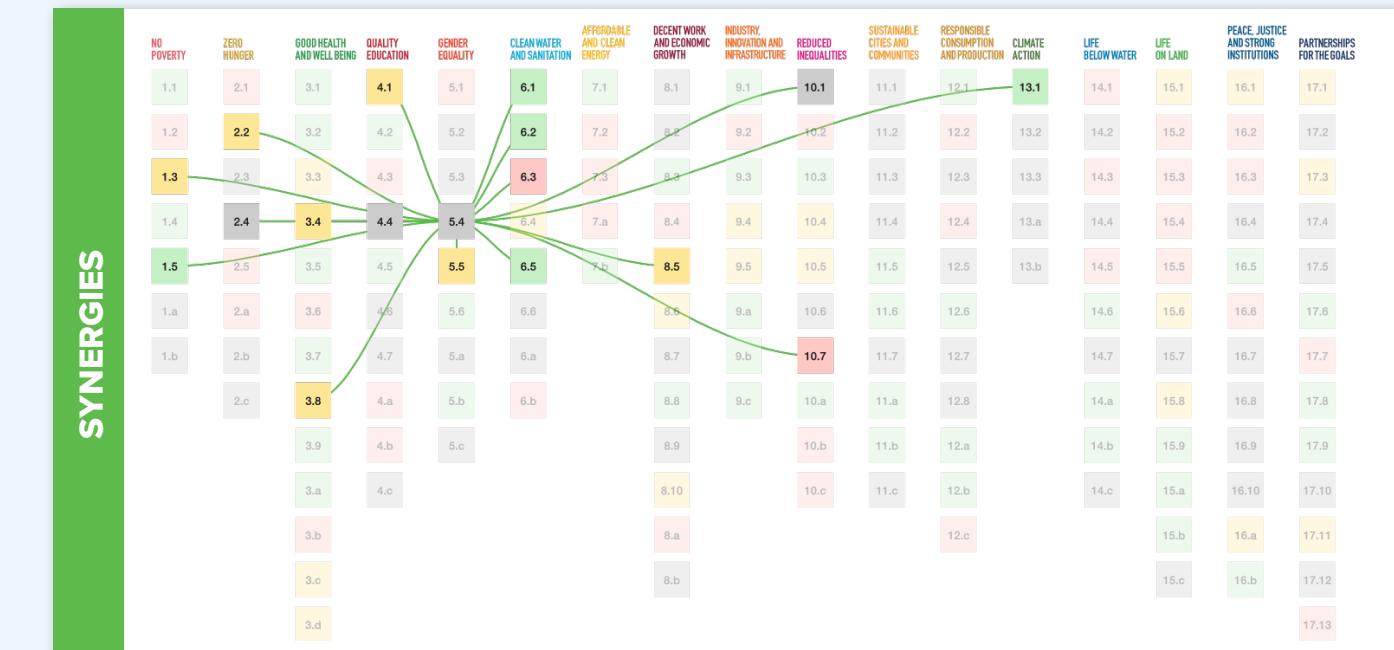
5.2 and 5.4: Eliminate all forms of violence against all women and girls in public and private spheres, including trafficking and sexual and other types of exploitation & Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies, and the promotion of shared responsibility within the household and the family as nationally appropriate

Chile still faces a gender gap related to challenges, such as time use disparities, the scant recognition of unpaid domestic work that mainly affects vulnerable women, and the need for services that facilitate co-responsibility at home are areas that need special attention. Despite progress in meeting Target 5.4, there are still challenges to achieve equality in the domestic sphere, and beyond.

Intersectoral collaboration is essential to implement comprehensive policies that value domestic work and promote co-responsibility. Progress in this area can contribute to greater equality in the world of work (Target 8.5) and to greater gender equality. Recognizing and value of care and domestic work can empower women providing them with more resources and a better position to face and adapt to the impacts of climate change (Target 13.1). Thus, investments in a national care system could lead to closing several SDG gaps in terms of employment, inequality and gender.

Similarly, investments in the elimination of violence against women and girls should also contribute to reducing gender inequalities and promotes their inclusion in all aspects of society (SDG 10). Protecting women and girls from violence directly impacts their health and well-being, and ensuring their access to health services is essential for their recovery and protection (SDG 3). Education promoting gender equality and human rights can also help prevent violence against women and girls (SDG 4). Ensuring safe and equal access to public transportation may reduce women's and girls' vulnerability to violence (SDG 11).

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Explore the interlinkages at:

<https://data.undp.org/sdg-push-diagnostic/CHL/synergies-and-tradeoffs>

SDG INTERLINKAGES

8.4: Improve progressively through 2030 global resource efficiency in consumption and production, and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead

Chile has made progress in the development of inter-institutional agreements, policies and programmes to promote sustainable productive development. However, it is still necessary to accelerate the decarbonization processes of those productive industries with the greatest environmental impact, strengthen support for smaller green companies and integrate them into value chains, and also to develop financing instruments that promote the diversification of the production matrix at the local level.

Decoupling economic growth from environmental degradation in Chile and improving efficiency in the use of resources will contribute to mitigating climate change by reducing pressure on natural resources (Target 13.3), by reducing energy demand and by increasing energy efficiency (Target 7.3). Likewise, it can be a powerful engine to reduce poverty and improve access to productive and well-paid employment for people in situations of poverty and vulnerability (Target 1.2).

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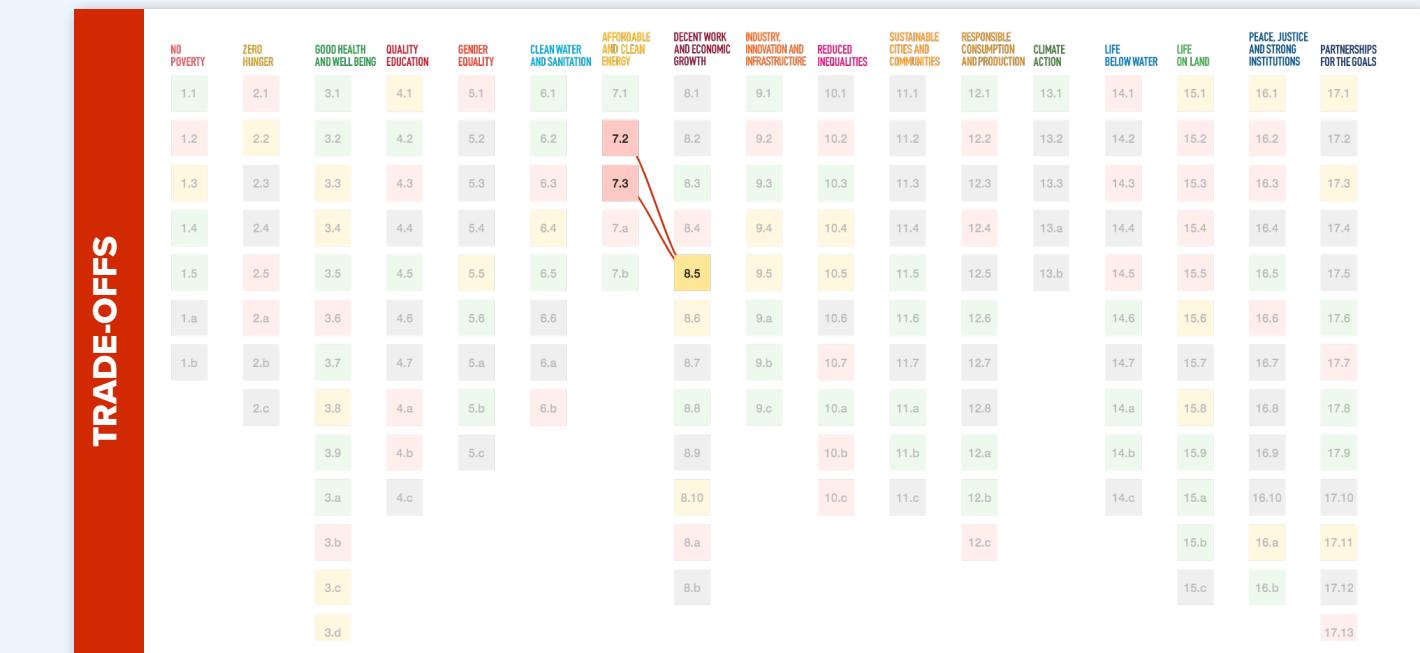
SDG INTERLINKAGES

8.5: By 2030 achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

The country faces the challenge of reducing labour informality, which affects 26.5% of the employed population, and regional and gender disparities. Likewise, there is a need to increase female labour participation, to promote equal pay between men and women and to advocate for decent work and social protection for all workers. Additionally, the transition towards a green and circular economy should be encouraged, which will generate quality jobs and contribute to climate action.

Achieving goal 8.5 could contribute to empowering and promoting social and economic inclusion, especially for young people and women (goals 10.2 and 5.5). Furthermore, actively addressing economic inequality can reduce the gender wage gap and help more households escape poverty (goal 1.3). The transition to a low-carbon and climate-resilient economy (goal 13.1) can provide full and productive employment.

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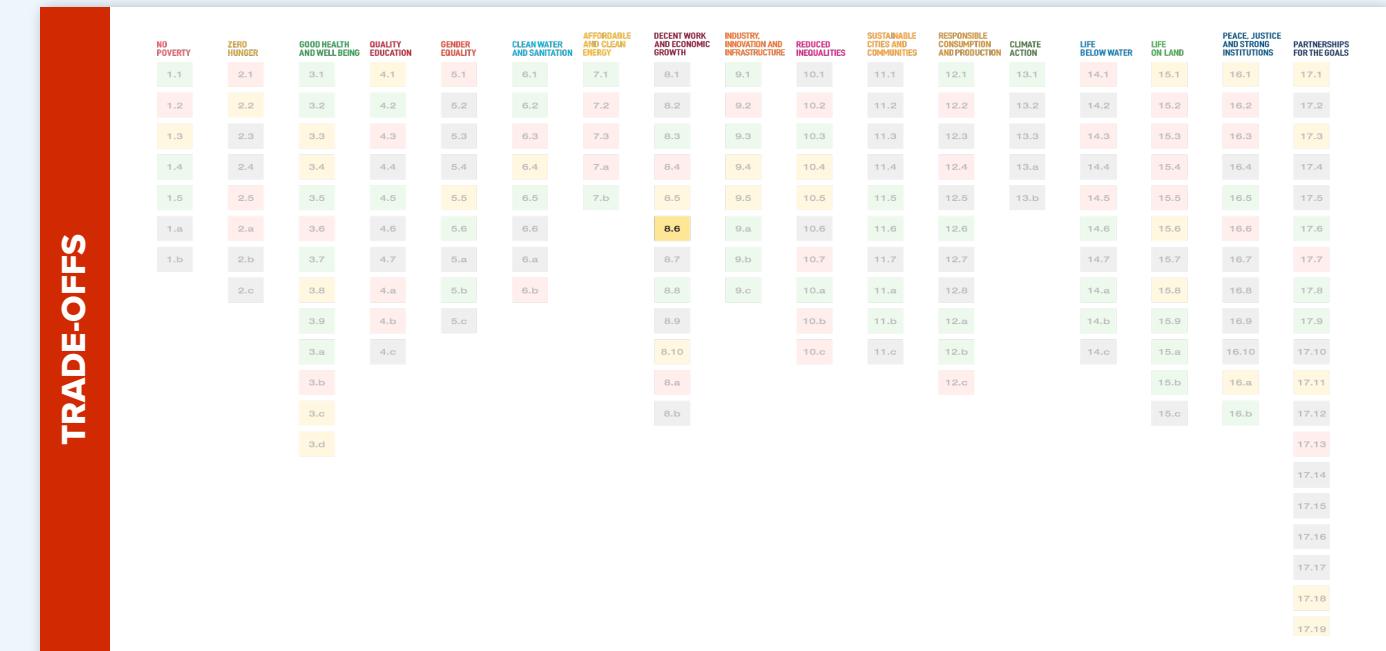
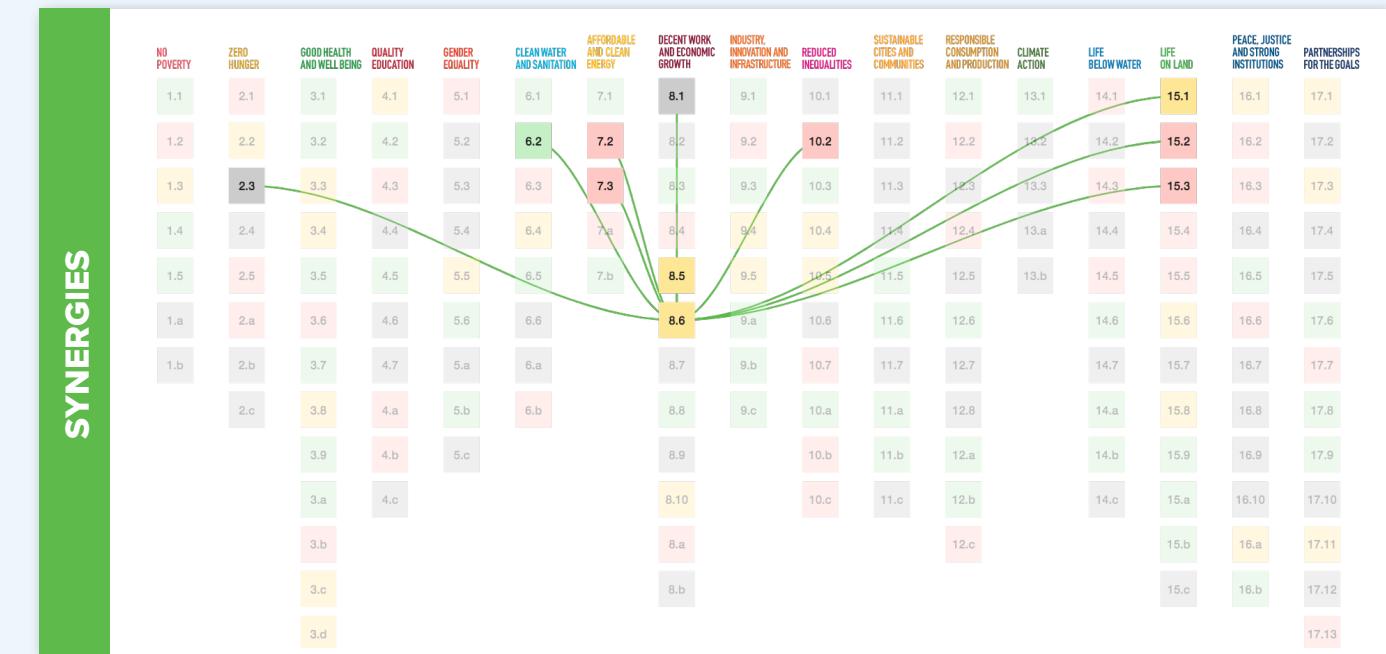
SDG INTERLINKAGES

8.6: By 2020 substantially reduce the proportion of youth not in employment, education or training

The country is challenged to increase employability and the job integration of young people, especially those most vulnerable and affected by the health and economic crisis. It is crucial to enhance the quality and relevance of education and technical-professional training, thereby meeting the demands of the labour market and taking advantage of the opportunities of the green and circular economy.

This goal is related to the empowerment and social and economic inclusion of young people and the reduction of inequalities (goal 10.2). It also synergizes with ensuring equal access for all men and women to quality technical, professional and higher education at an affordable cost, including university education. Training and education are vital to improve job opportunities for young people (SDG 4). Engaging trained and educated young people in climate solutions and sustainability-related jobs is crucial to combat climate change and to promote a green economy (SDG 13).

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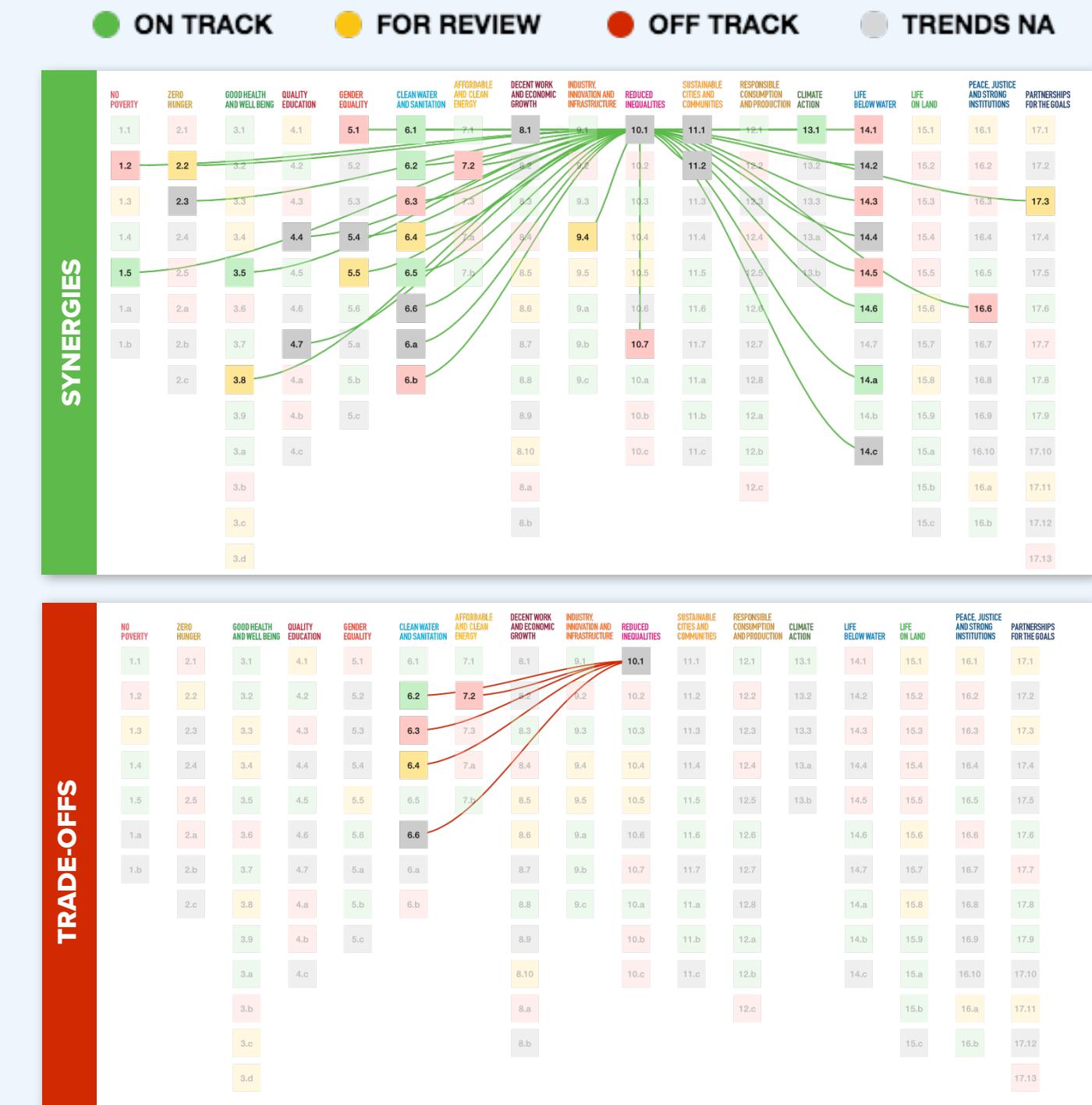
<https://data.undp.org/sdg-push-diagnostic/CHL/synergies-and-tradeoffs>

SDG INTERLINKAGES

10.1: By 2030, progressively achieve and sustain the income growth of the bottom 40 per cent of the population at a rate higher than the national average.

Chile faces significant challenges, such as high income inequality (one of the highest among the Organisation for Economic Co-operation and Development countries), stagnant labour income growth as a result of the COVID-19 pandemic, and a lack of opportunities and social protection for the poorest 40% of the population – all of which translates into low labour participation, increasing informality, low educational quality, limited coverage and quality of public services and insufficient social security.

For this reason, investments and reforms leading to a better income and opportunity distribution can have a multiplier effect on several other SDGs, since the reduction of inequality is a key factor for sustainable development in several dimensions, such as the empowerment of women and their decision-making (Target 5.5), poverty reduction (Target 1.2), better financial protection against health risks (Target 3.8) and improving technical and professional skills essential for the modern world of work (Target 4.4).



Explore the interlinkages at

<https://data.undp.org/sdg-push-diagnostic/CHL/synergies-and-tradeoff>

SDG INTERLINKAGES

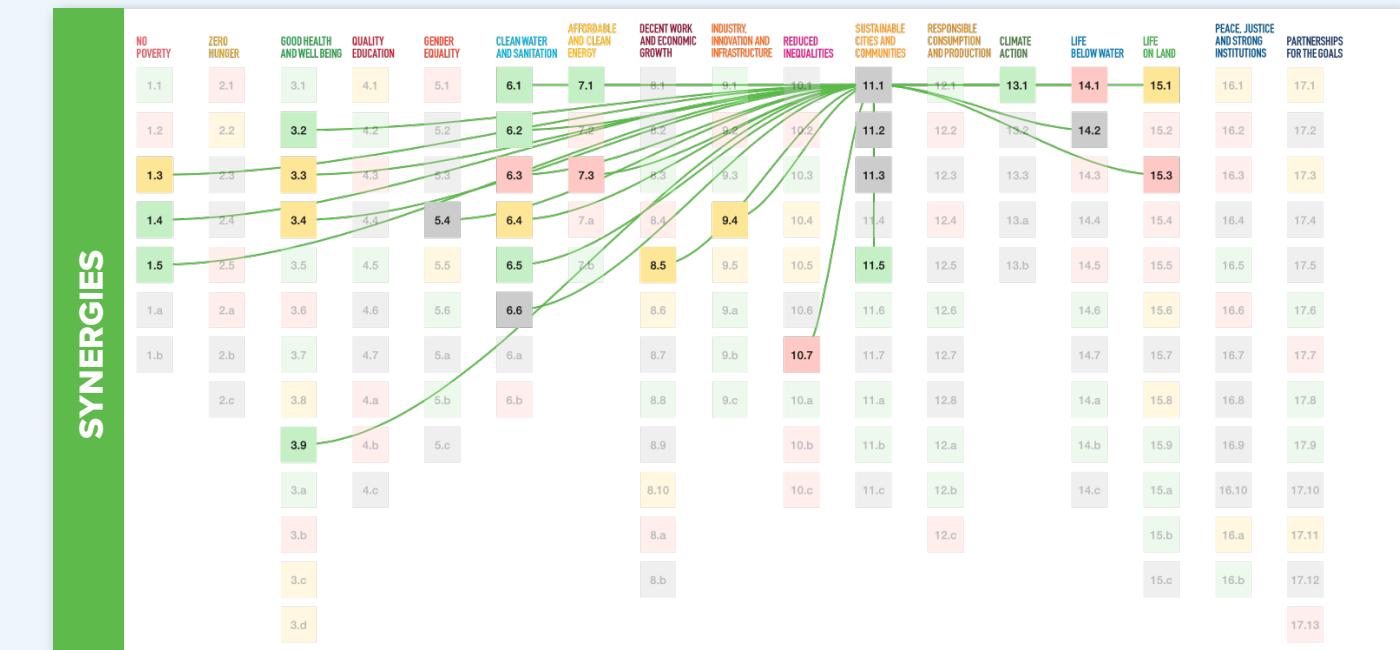
11.1: By 2030 ensure access for all to adequate, safe and affordable housing and basic services, and upgrade slums.

Chile also faces housing and urban challenges, including a deficit that affects more than a million homes due to quality and overcrowding; the existence of informal settlements with more than 40,000 families living in precarious conditions; lack of basic services in rural areas; and the urgency of improving urban planning.

Improving access to adequate housing and basic services also has repercussions in areas such as equality, social cohesion, the local economy, health, and education, among others.

Given Chile's high exposure to the negative consequences of climate change, making progress in achieving this goal would help to strengthen the resilience and adaptive capacity of poor and vulnerable people to extreme climate-related events (Targets 1.5 and 13.1).

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SDG INTERLINKAGES

13.2: Integrate climate change measures into national policies, strategies and planning

Despite the undeniable achievements that the country has obtained in integrating climate change measures into national policies, strategies and planning, more progress is still required in the implementation of different laws and their instruments. Updating the NDC goals that incorporate the actions of the transition process, advancing the implementation of a new green tax policy and of a compensation market, and strengthening water efficiency for the implementation of adaptation measures are all needed.

Climate change has ramifications for virtually all aspects of sustainable development. Therefore, by addressing and advancing in realizing this target in Chile, there is a likelihood of positive impacts in several areas: on food security and agricultural production (Target 2.4); on the reduction of greenhouse gas emissions and on climate (goal 12.2); climate measures are integrated into urban policies leading to more resilient and sustainable cities (Target 11.3); among others.

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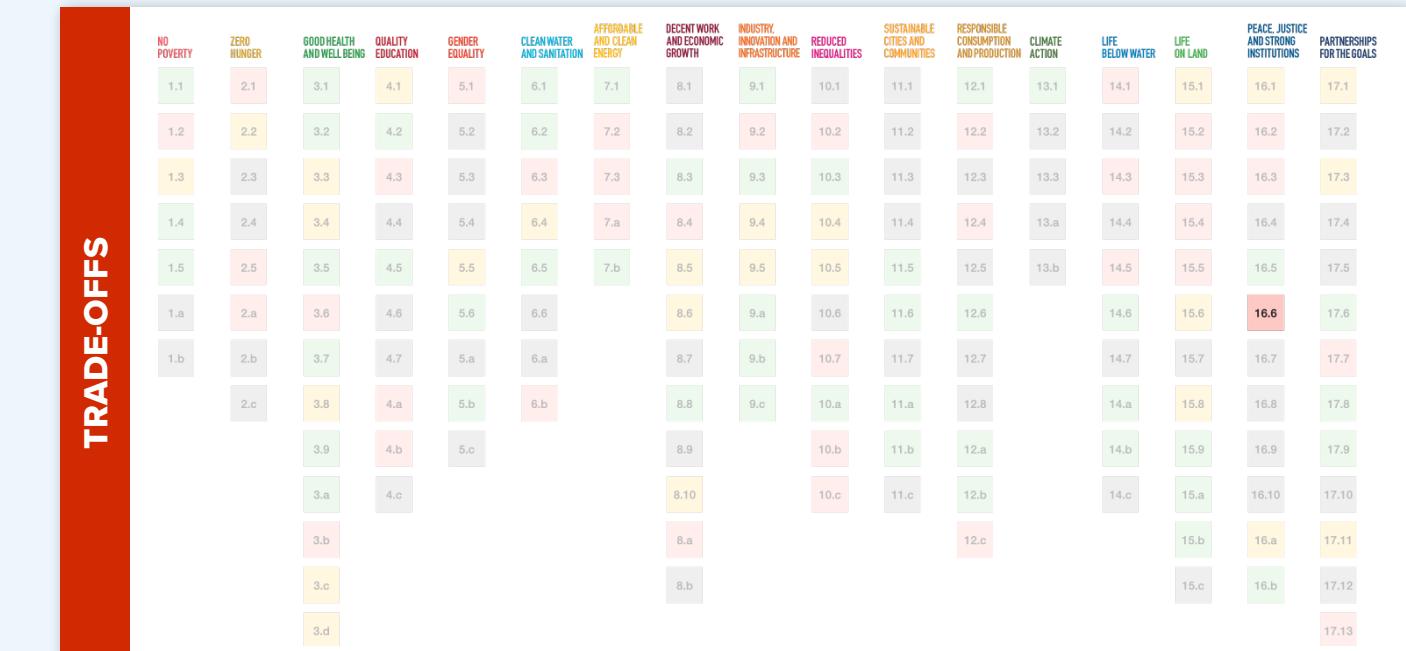
SDG INTERLINKAGES

Target 16.6: Develop effective, accountable and transparent institutions.

In recent years Chile has continued its efforts to make progress in the modernization of the state and in the strengthening of transparency and accountability of public institutions, both at central and local levels. However, there are pending institutional reforms in these areas, and a high degree of institutional distrust on the part of the citizens continues to be an issue.

Achieving this target would have cross-cutting effects and may directly or indirectly influence several other SDGs. For example, responsible and efficient institutions can enact policies and regulations that encourage sustainable consumption and production practices (Target 8.4); ensure policies that seek to reduce inequalities (Targets 10.1 and 10.7); implement and monitor policies related to climate change (Target 13.2); ensure policies and practices that promote gender equality (target 5.5); among others.

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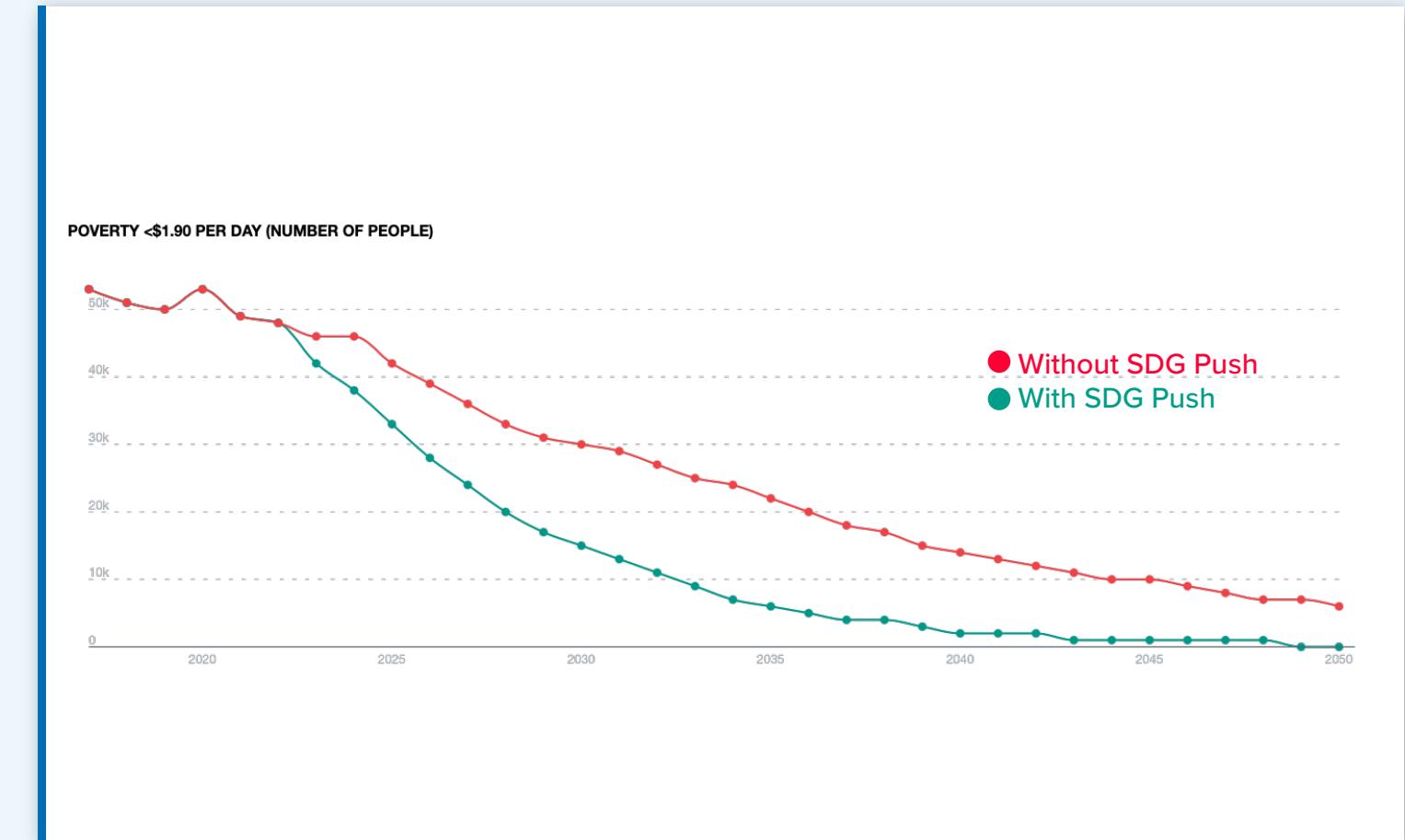
FUTURES SCENARIOS

Achieving the SDGs is possible.

The ‘SDG Push’ is a futures scenario based on 48 integrated accelerators in the areas of Governance, Social Protection, the Green Economy and Digital Disruption. It uses national data to explore the impact on human development by 2030 and by 2050 across key SDG indicators.

Incorporating ‘SDG Push’ accelerators into development interventions in Chile can reduce the number of people living in poverty over time.

People living in poverty	By 2030	By 2050
Without the SDG Push	30,000	6,000
With the SDG Push	15,000	0



Explore SDG Futures Scenarios at:

<https://data.undp.org/sdg-push-diagnostic/CHL/future-scenarios>

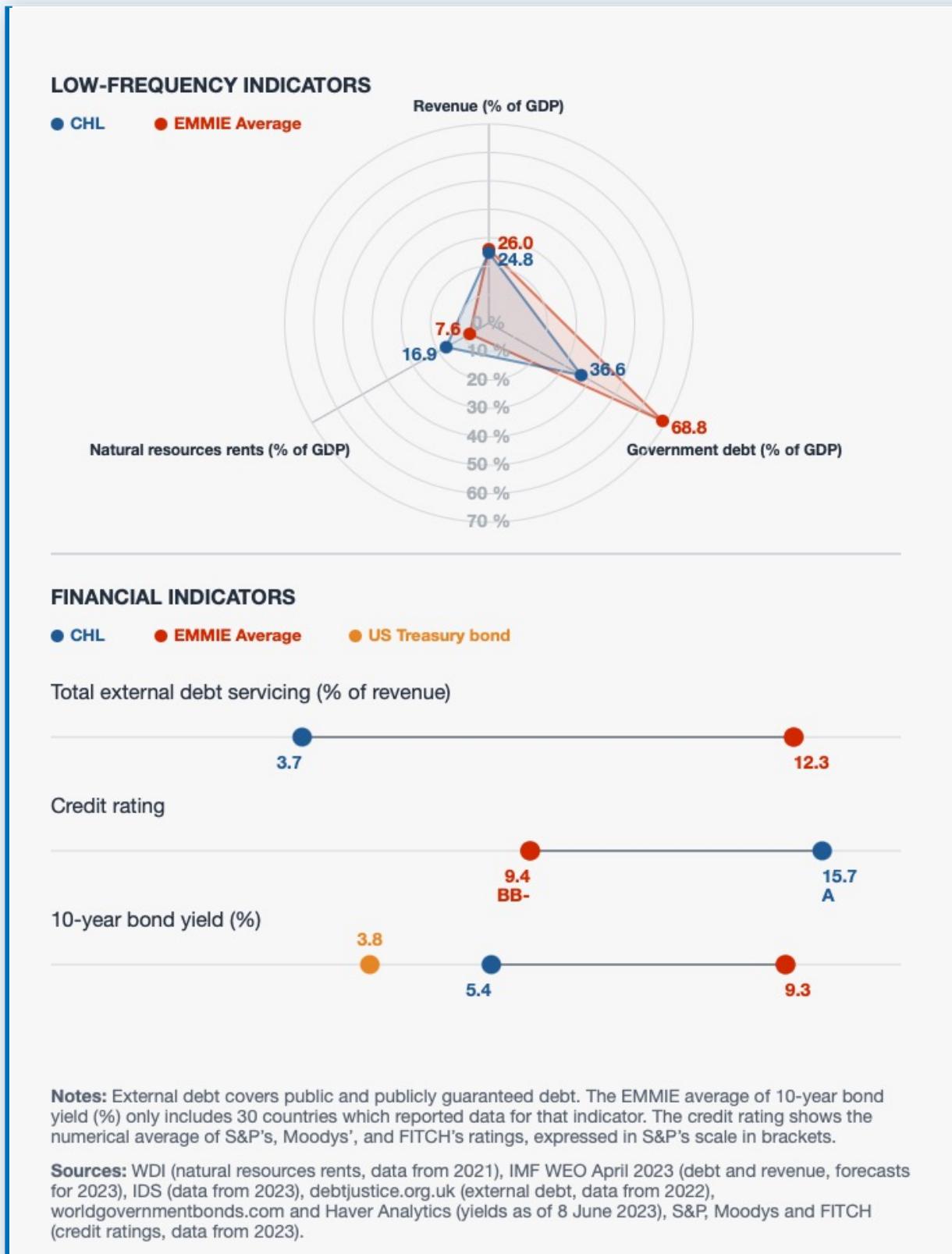
FINANCE & STIMULUS

Many countries are facing reduced fiscal space, high debt levels, rising interest rates and downgrades on credit ratings. Fiscal and financial constraints tend to slow or even reverse SDG progress.

The radar diagram shows low frequency data points linked to government revenue, debt and natural resources rents as a proportion of GDP. The financial indicator graphs show external debt servicing relative to revenue and the country's sovereign credit rating and 10-year bond yield.

Chile's gross government debt, projected at 36.6% of GDP in 2023, is nearly half the emerging market and middle-income economies' (EMMIE) average of 68.8%. The country is projected to collect 24.8% of GDP in revenue this year, thus close to the average EMMIE country at 26%.

Chile's external debt servicing this year is projected at 2.7% of revenue, hence less than a third of the EMMIE group's 12.3%. The country's credit rating is in the 'investment grade' category and hence significantly above the EMMIE average of 'non-investment grade speculative'. The country's 10-year bond yield is trading at 5.4% – 3.9 percentage points (pp) below the EMMIE average of 9.3%, thus suggesting higher investor confidence than in comparable economies – and 1.6 pp above a 10-Year US Treasury bond.



SDG STIMULUS

The [UN Secretary General's SDG Stimulus Plan](#) lays out a blueprint for action within the existing financial architecture. It includes:

- Providing liquidity to support recovery in the near term
- Enhancing debt relief for vulnerable countries
- Expanding development financing by MDBs
- Aligning financial flows with the SDGs and the Paris Agreement, according to country-level priorities and needs, for example through the roll-out of the UN Integrated National Financing Framework (INFFs).

Given the projected fiscal and financial constraints faced by Chile, possible funding options for the investments derived from the identified interlinkages are as follows:

- Tax and revenue reform
- Debt for SDGs
- Climate finance
- Blended and public-private finance
- SDG-aligned business environment and investment
- Accessing financial markets and insurance
- Remittances, philanthropy and faith-based financing

**United Nations
Secretary-General's
SDG Stimulus
to Deliver
Agenda 2030**

FEBRUARY 2023



METHODOLOGY



Click [here](#) to view the Methodological Note for the Integrated SDG Insights

SDG MOMENT

Methodology

Assesses challenges and opportunities in national growth trajectories with insights on environmental sustainability and inclusiveness.

Data Sources

Future trajectories to 2025 are based on IMF-WEO GDP projections, distributions of per capita income or consumption from the World Bank, and CO₂ emissions from the Global Carbon Budget 2022 and EDGAR (JRC and IEA).



TRENDS & PRIORITIES

Methodology

SDG trends tracks progress from 2015 to date for the 231 indicators. National priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents.

Data Source

Trends utilizes official [UN statistics](#) to assess [SDG progress](#), supplemented with national data when available. Priorities uses a custom-built model for SDG classification. The policy documents analyses are provided by Governments.



INTERLINKAGES

Methodology

Global target-level interlinkages are drawn from the [KnowSDGs Platform](#) by [European Commission](#). SDG interlinkages were retrieved through a structured literature review in Scopus and Google Scholar to tap both grey literature and peer-reviewed publications as a source of information.

Data Source

The exercise globally considered a total of 454 documents published from 2015 to August 2022. ([Miola et al., 2019](#) updated in [2021-2022](#))



FINANCE & STIMULUS

Methodology

Provides insight into indicators of fiscal and financial stress with options (INFF) for stimulus and other means to accelerate progress.

Data Source

Most recent resource data from UNU-WIDER GRD (between 2018 and 2021), debt and revenue from IMF WEO (between 2020 and forecasts for 2023), external debt from IDS (2023), yields from Haver Analytics (8 June 2023), credit ratings from S&P, Moodys and FITCH (2023), and DSA ratings from World Bank/IMF (31 May 2023).