

Making the city's budget a lever for transformation

Strasbourg's model for SDG budget mapping

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THE PROBLEM: Local governments are on the frontlines to drive transformative action for sustainable development with limited financial capacity.

WHY IT MATTERS: Cities must address tough tradeoffs and maximize the effects of their public spending toward sustainability and inclusion.

THE SOLUTION: Applying the principles of the Sustainable Development Goals on the city's budget helps increase the impact of each investment.

Local authorities are on the frontlines of taking on tough challenges and shaping a recovery from the COVID-19 pandemic that is also transformative. Strasbourg faces great challenges such as reducing GHG emissions by 55 percent, as well as reducing its 26 percent poverty rate.

Making decisions and setting policy priorities starts with the budget forecast, essentially a political arbitration between objectives and financial constraints. With limited financial resources, each investment must be a lever for transformation and efficiency and be understandable by everyone, especially civil servants and citizens.

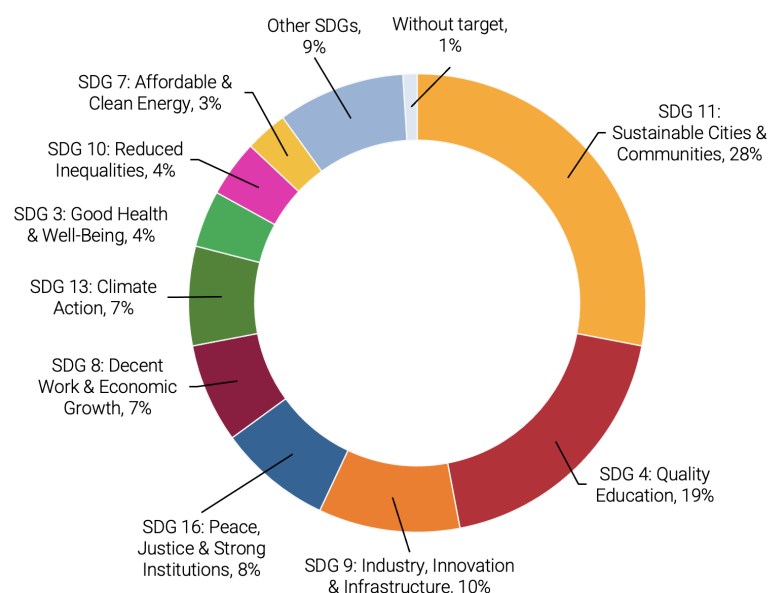
For Strasbourg, applying the principles of the Sustainable Development Goals (SDGs) to the budget gives greater legitimacy to its local

action by breaking it down into clear objectives and increasing the impact of each spending through its inclusion in a systemic vision.

1. How Strasbourg links its budget to the SDGs

Since 2019, the provisional budgets of the City and the Eurometropole of Strasbourg are mapped to the SDGs (Figure 1). This exercise is carried out by the administrative and financial managers of each department, who have welcomed this approach because it "gives meaning" to their actions.

Figure 1: Strasbourg's 2022 investment budget aligned to the SDGs



Source: City Government of Strasbourg

Step 1. Based on the list of annual operational credits provided by the Public Finance Department, the relevant Departments with the support of the SDG team links each credit line to one, two, or three corresponding targets in the SDG framework:

- The first target is called the "primary target" and reflects the principal purpose of the spending; and
- The "secondary targets" are determined according to one or two additional impacts of the spending towards other targets, identified by the nature of the project.

Step 2. Then, the amount of the credit line is distributed proportionally to the targeted SDGs, with a majority bonus (see "D'Hondt Law" for technical details). That way, the primary SDG target gets 50 percent of the amount of the credit line. The remaining 50 percent is then distributed equally among all the impacted targets (the primary and the secondary targets).

In the example below (Figure 2), investing in the refurbishment of a school first supports SDG 4.a ("Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive, and effective learning environments for all"). The same project aims also to improve the security of the school; it is linked to a secondary target addressing SDG 16.1 ("Significantly reduce all forms of violence"). Finally, as the project also includes a new heating system, it's also linked to SDG 7.3 ("Energy efficiency").

Step 3. The total amount allocated to each SDG is the result of adding the funds identified under it as primary and the funds identified under other SDGs as secondary, thus finding synergies and common purpose between different projects.

2. What Strasbourg learned from aligning its budget to the SDGs

This targeting method enables the budget to reflect the holistic and interconnected nature of the SDGs. The proportional distribution of our budget across several SDGs as primary and secondary targets enable us to distinguish the direct objectives and those that are achieved in an indirect way. We find that the more transversal a spending is, the more it advances Strasbourg's progress towards sustainability, but also the more difficult it is to identify its perfect alignment.

Our approach makes it possible to draw a budgetary map specific to each city and region. Our various experiments and growing familiarity with the SDGs since 2018 have allowed us to select only those of the 169 UN targets that are being implemented by the city administration. In Strasbourg, 125 targets have been implemented, i.e., 74 percent of the Global Goals.

This base was then supplemented by so-called "local" targets that are politically important for the region and highly relevant global issues.

Figure 2. Example of the investment allocation of a project to refurbish a school, that will be split into 3 different SDGs.

Programm	Cost of project 2022	Primary SDG	Secondary SDG	Secondary SDG
Refurbishment and safety for Hohberg School	4 500 000	4.a	16.11	7.3
Primary target	50%	2 250 000		
Secondary targets	50%	750 000	750 000	750 000
Total allocation to SDG 4	66,60%	3 000 000		
Total allocation to SDG 16	16,60%		750 000	
Total allocation to SDG 7	16,60%			750 000

This budget alignment exercise also revealed missing pieces in the SDG framework. To make the framework relevant to Strasbourg and fully capture all of our investments, we had to create our own goals and targets:

- The city of Strasbourg devotes 25 percent of its budget to culture. Considering the importance of Strasbourg and France as cultural capitals of Europe and the world, we created an 18th Goal "Access to Culture."
- Investments by our Sports Department have great impacts on Strasbourg's progress towards the SDGs, particularly those related to climate change. The Sports Department is responsible for a wide range of infrastructures, such as pools, playgrounds, and sport buildings, which are sometimes old with inefficient energy consumption. We added an indicator to Goal 3 ("Good Health and Well-being") with a target 3.11 "Develop physical activity to promote the development of young people, the well-being of all and the life expectancy of people who are frail or in remission from illness." To reflect bicycle use and pedestrians in target 11.2, which only includes public transportation, we added a target 11.10 "Develop active mobility."
- As Strasbourg is a European Capital and seat of the European Parliament, we added an indicator to Goal 8 (Decent work and economic growth) in 2020: Target 8.11 "Promote the European and international influence of Strasbourg and its territory."
- Because it is the number one concern of many citizens of Strasbourg, we added an indicator to Goal 16 (Peace, justice, and strong institutions) in 2020: Target 16.11 "Ensure public and civil security."

This methodology is currently being stabilized in a set of rules to be understood by all and to provide a monitoring and evaluation framework from one year to the next. More specific work on the eight "Culture" targets will be undertaken by the Agenda 21 Culture NGOs, the UCLG network, and other European cities.

At this stage, the SDG mapping is presented at the time of the vote on next year's budget estimates, in parallel with the previous year's Sustainable Development Report. Thanks to the universal language of the SDGs, the annual financial priorities can be presented in a clear and analytical way to all citizens.

But the power of transformation lies in the hands of each department that defines its projects. By visualizing the synergies and contradictions at work, the SDG mapping will enable us to trace new transformation paths, both in the direction of smarter spending in order to meet the challenges of climate change and human progress in order to restore the confidence of future generations.

*Curated by Brookings and published in collaboration with Apolitical, these [how-to briefs](#) authored by experienced city government leaders aim to disseminate their innovations to counterparts to accelerate the local delivery of the Sustainable Development Goals. This compendium is part of the SDG Leadership Cities project, a community of practice of vanguard cities promoting a global movement of city leadership on sustainable development. **If you are using this brief to implement an innovation locally, please fill in [this short survey](#) and feel free to contact us at tpipa@brookings.edu.***