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Low carbon transition of global power sector enhances sustainable development goals

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1 **Low carbon transition of global power sector enhances sustainable**
2 **development goals**

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20

21 **Abstract:** Low-carbon power transition, key to combatting climate change, brings far-
22 reaching effects on achieving Sustainable Development Goals (SDGs), in terms of
23 resources use, environmental emissions, employment, and many more. Here we
24 assessed the potential impacts of power transition on 49 regional multiple SDGs
25 progress under three different climate scenarios. We found that power transition could
26 increase global SDG index score from 72.36 in 2015 to 74.38 in 2040 under the 1.5°C

27 scenario, compared with 70.55 and 71.44 under ‘Coal-dependent’ and ‘Middle of the
28 road’ scenario, respectively. The power transition related global SDG progress would
29 mainly come from switching to renewables in developing economies. Power transition
30 also improves the overall SDG in most developed economies under all scenarios, while
31 undermining their employment-related SDG progress. The global SDG progress would
32 be jeopardized by power transition related international trade changes under ‘Coal-
33 dependent’ and ‘Middle of the road’ scenario, while improved under the 1.5°C scenario.

34 **Keywords:** low-carbon transition; Global power sector; SDGs; Climate scenarios

35

36 **Introduction**

37 The current fossil fuel-dominated power sector contributes for near 40% of global
38 annual energy-related CO₂ emissions^{1,2}. The low carbon transition of the power sector
39 is crucial to tackling climate change and ensuring the future supply of energy^{3,4}.
40 According to the International Energy Agency (IEA), the climate target in the Paris
41 Agreement that pursuing efforts to limit end-of-century warming to 1.5°C, cannot be
42 achieved until the share of energy production from low-carbon energy technologies
43 rising to 85% by 2040⁵.

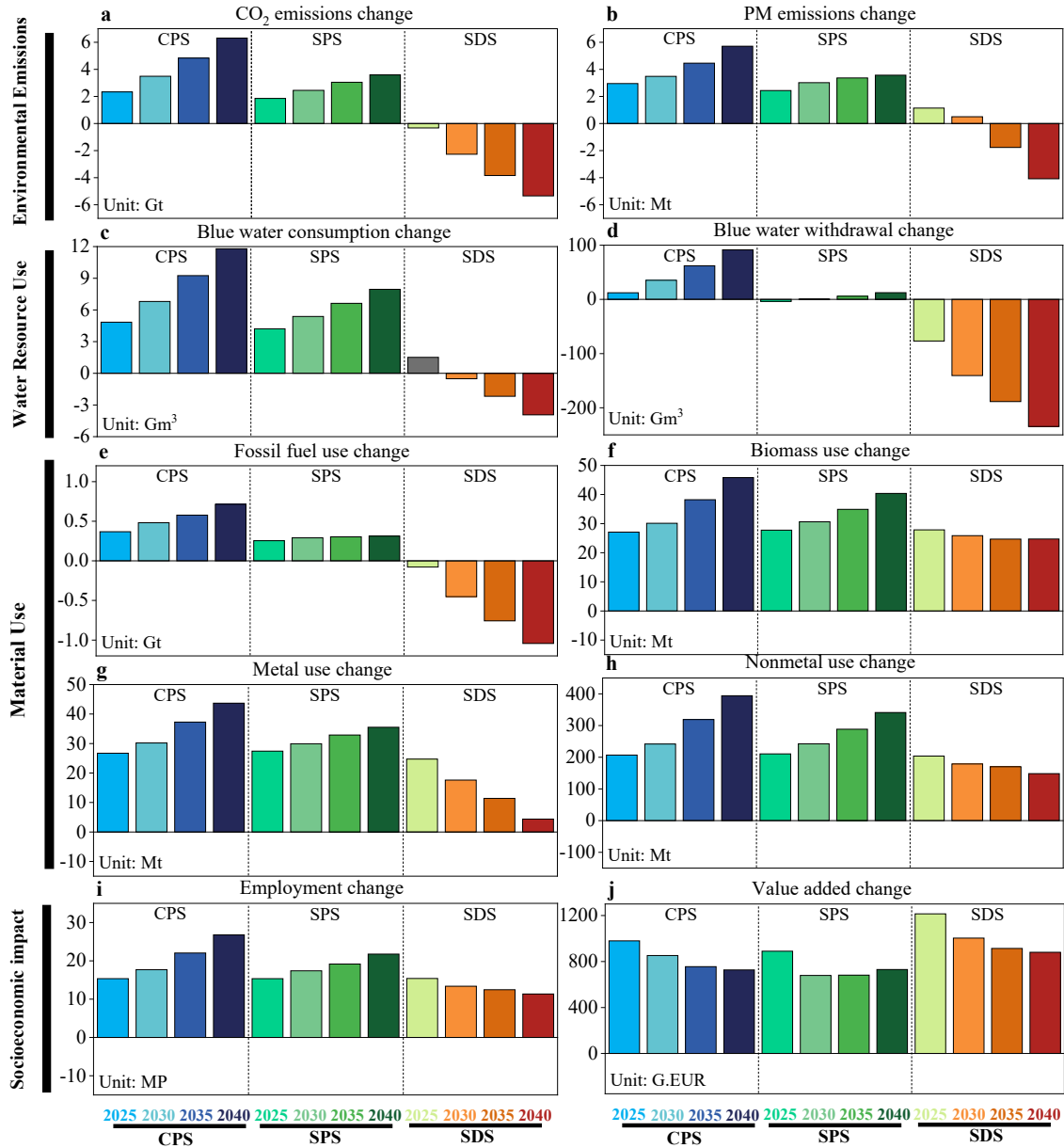
44 However, power sector transition's impact is far beyond climate. It brings far-
45 reaching effects on achieving Sustainable Development Goals (SDGs)⁶, in terms of
46 resources use^{7,8}, environmental emissions³, employment⁹, and many more^{10,11}. What's
47 more, power transition may reduce one problem while exacerbate others at times. For
48 instance, the closure of coal-fired power plants will reduce cooling water withdrawal
49 (advancing SDG 6: Clean Water and Sanitation)^{12,13}, but cause massive job losses in
50 coal power industry and its various ancillary, upstream, and downstream industries
51 (hindering SDG 8: Decent Work and Economic Growth)^{14,15}. Expansion of low-carbon
52 power such as wind power and solar energy as substitutes for fossil fuels can improve
53 countries' ability to deal with climate change (advancing SDG 13: Climate Action)¹⁶,
54 while increases demand for critical materials (hindering SDG 12: Responsible
55 Consumption and Production)^{17,18}.

56 Previous studies have primarily demonstrated the impacts of specific national or
57 regional power sector transition on a single aspect of sustainable development, such as
58 regional employment ¹⁹, economic growth ²⁰, natural resources use ^{21,22}, greenhouse gas
59 and pollutant emissions ²³. However, few have evaluated the environmental–social–
60 economic interrelationships (trade-offs or synergies) of the power sector transition and
61 its impacts on each region toward achieving the multiple SDGs simultaneously. The
62 lack of comprehensive assessment may lead to unintended consequences, or even
63 hinder some SDGs progress, when designing power transition pathways. For instance,
64 Wang et al. found that Developing Asia’s long-term power plan featuring coal power
65 generation has not yet included the impact on regional sustainable use of water
66 resources, which may exacerbate its water shortage (hindering SDG 6: Clean Water and
67 Sanitation), if without any strategies to reduce cooling water use ²⁴. Additionally, power
68 transition in one region affects not only the local SDGs, but also SDGs progress in other
69 regions via inter-regional trade. The expansion of renewable power or the reduction of
70 fossil fuels in electricity mix in one country might lead to the changes of environmental
71 emissions, resources consumption, employment and value-added embodied in products
72 and services from global supply chains, thus potentially influencing other regions’
73 SDGs ²⁵. Some researchers have conducted initial investigations and found out that
74 European renewable energy directive will harm forests of tropical countries, such as
75 Indonesia and Brazil, through wood trade (hindering SDG 12: Responsible
76 Consumption and Production) ²⁶. Thus, we further highlight the role of international

77 trade in regional SDG progress for preventing the power transition at the expense of
78 SDG in other regions.

79 By applying Environmentally Extended Multiregional Input-Output Analysis
80 (MRIO) and SDG assessment approach, here, we examine the direct and supply-chain
81 effects of power transitions throughout the world on regional and global SDGs,
82 including the net environmental, social, and economic changes under three climate
83 mitigation scenarios ('Coal-dependent', 'Middle of the road' and 1.5°C scenario) (see
84 **detailed explanations in Methods**). Our findings demonstrate that low carbon
85 transition of global power sector could enhance the overall SDG performance, but there
86 are huge differences across individual SDGs in different economies.

88 The environmental and socio-economic impacts of global power sector transition



89

90 Figure 1. Comparison of the net changes in environmental and socio-economic impacts of

91 global power sector in 2025-2040 under three different climate scenarios to that in 2015. (a-b)

92 environmental emissions, (c-d) water resources use, (e-h) material use, and (i-j) socio-economic

93 impacts. The three transition scenarios are Current Policies Scenario (CPS), Stated Policies Scenario

94 (SPS), and Sustainable Development Scenario (SDS), namely ‘high coal’ scenario, ‘medium-sized
95 coal’ scenario, and 1.5°C scenario, respectively.

96 **Figure 1** shows the net changes of environmental emissions, water resources use,
97 material use, and socioeconomic impacts (the basic indicators to evaluate SDG progress)
98 associated with global power transition under three different climate scenarios-Current
99 Policies Scenario (CPS), Stated Policies Scenario (SPS), and Sustainable Development
100 Scenario (SDS), namely ‘Coal-dependent’, ‘Middle of the road’ and 1.5°C scenario,
101 respectively.

102 From the figure we can see that global CO₂ emissions (**Figure 1a**) will increase
103 by 10% and 18% under CPS and SPS scenarios between 2015 and 2040, but decrease
104 by 15% under the SDS scenario. PM emissions (**Figure 1b**) show a similar trend with
105 relatively small absolute changes. The discrepancy of emissions under different
106 scenarios mainly results from the difference in energy mix of electricity production
107 (**Table S1-S3**).

108 For water use, scenario results showed a similar trend as the changes in
109 environmental emissions. Only SDS scenario results showed a significant annual
110 decrease of 3.93 Gm³ (-0.33%) blue water consumption and 234.61 Gm³ (-17.2%) blue
111 water withdrawal associated with power transition by 2040, compared with the increase
112 of water use under the CPS and SPS scenarios (**Figure 1c and 1d**).

113 Given the higher demand for electricity in the future, all scenarios results showed
114 an increasing use of materials, such as metal, non-metal minerals and biomass for power

115 transition, except a decrease of fossil fuels under the SDS scenario (**Figure 1e-h**).

116 However, compared with the CPS and SPS scenarios results, power sector would

117 consume much less materials under the SDS scenario.

118 In terms of socio-economic impacts of the power production and transition, we

119 can see a significant increase in both employment (**Figure 1i**) and value added (**Figure**

120 **1g**) under all scenarios, due to the high future demand of electricity. As coal power per

121 unit of installed capacity can generate more jobs than that of renewables, but drive less

122 economic output, our results showed that power generation and transition under the

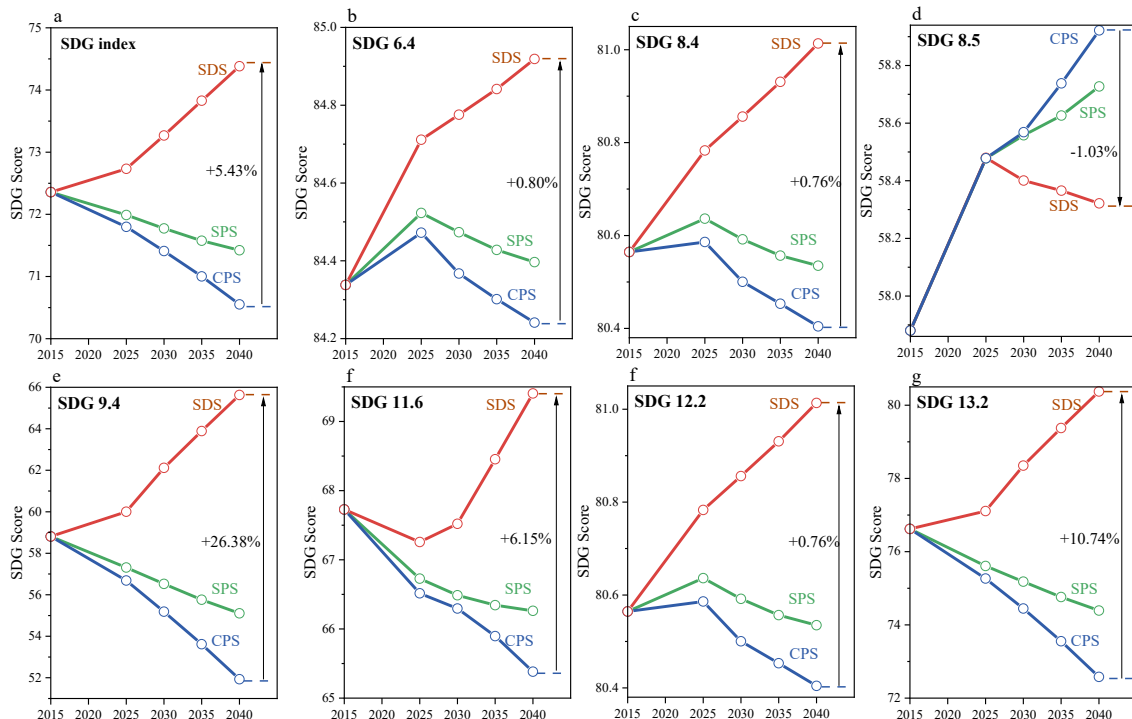
123 SDS scenario (the most ambitious scenario with renewables generation) may bring less

124 job opportunities but create higher value added, compared with the results under CPS

125 and SPS.

126

127 **Power transition's impacts on global SDGs**



129 **Figure 2. Global SDG index score and individual SDG score under three different climate**
130 **scenarios. (a)** global SDG index score and **(b-h)** scores of SDG 6.4 (Ensure sustainable withdrawals
131 and supply of freshwater), SDG 8.4 (Improve resource efficiency in consumption and production),
132 SDG 8.5 (Achieve full and productive employment), SDG 9.4 (Promote clean and Sustainable
133 industrialization), SDG 11.6 (Reduce the adverse per capita environmental impact of cities), SDG
134 12.2 (Achieve the sustainable management and efficient use of natural resources) and SDG 13.2
135 (Integrate climate change measures into national policies, strategies and planning). **Note:** To ensure
136 comparability across different SDGs and different country/region, the SDG scores are normalized
137 to a standard scale ranging from 0 (worst-performing in achieving SDGs) to 100 (best-performing
138 in achieving SDGs).

139 Here, we translated the changes in environmental and social-economic indicators
140 into global SDGs progress using the United Nations SDG assessment approach (see
141 method section). Our results showed that the global SDG index score, defined as the
142 overall performance in achieving all individual SDG evaluated, will increase from
143 72.36 in 2015 to 74.38 in 2040 under SDS, while decrease to 70.55 and 71.44 in 2040,
144 under CPS and SPS, respectively (**Figure 2a**). The fossil fuel for electricity generation
145 plays a decisive role in global SDG performance of the power sector. As described in
146 our three scenarios, global SDG index score only rises when fossil power generation
147 drops (SDS), even though low-carbon power share will increase under each scenario.

148 Different power sector transition paths would undermine (**green and blue lines in**
149 **Figure 2**) or underpin (**red lines in Figure 2**) individual SDG progress (**Figures 2b-**

150 **2g)**. In 2040, SDG 6.4, SDG 8.4, SDG 9.4, SDG 11.6, SDG 12.2 and SDG 13.2 present
151 higher scores under SDS scenario than the other two scenarios. The environmental and
152 socio-economic benefits from the low carbon transition (SDS scenario) are intrinsically
153 related to the reduction in blue water use, fossil fuels use, CO₂ and PM from the
154 shutdown of a large number of thermal power plants (see **Table S1-S4**). However, CPS
155 and SPS presents higher scores in SDG 8.5 (Achieve full and productive employment)
156 (**Figure 2d**). For example, in 2040, SDG 8.5 score under SDS (57.88) is less than 1.03%
157 of that under CPS (58.92). This is main because the shutdown of coal power under SDS
158 would lead to a large number of unemployment in both coal power generation and
159 upstream supply chains (e.g. coal mining sector).

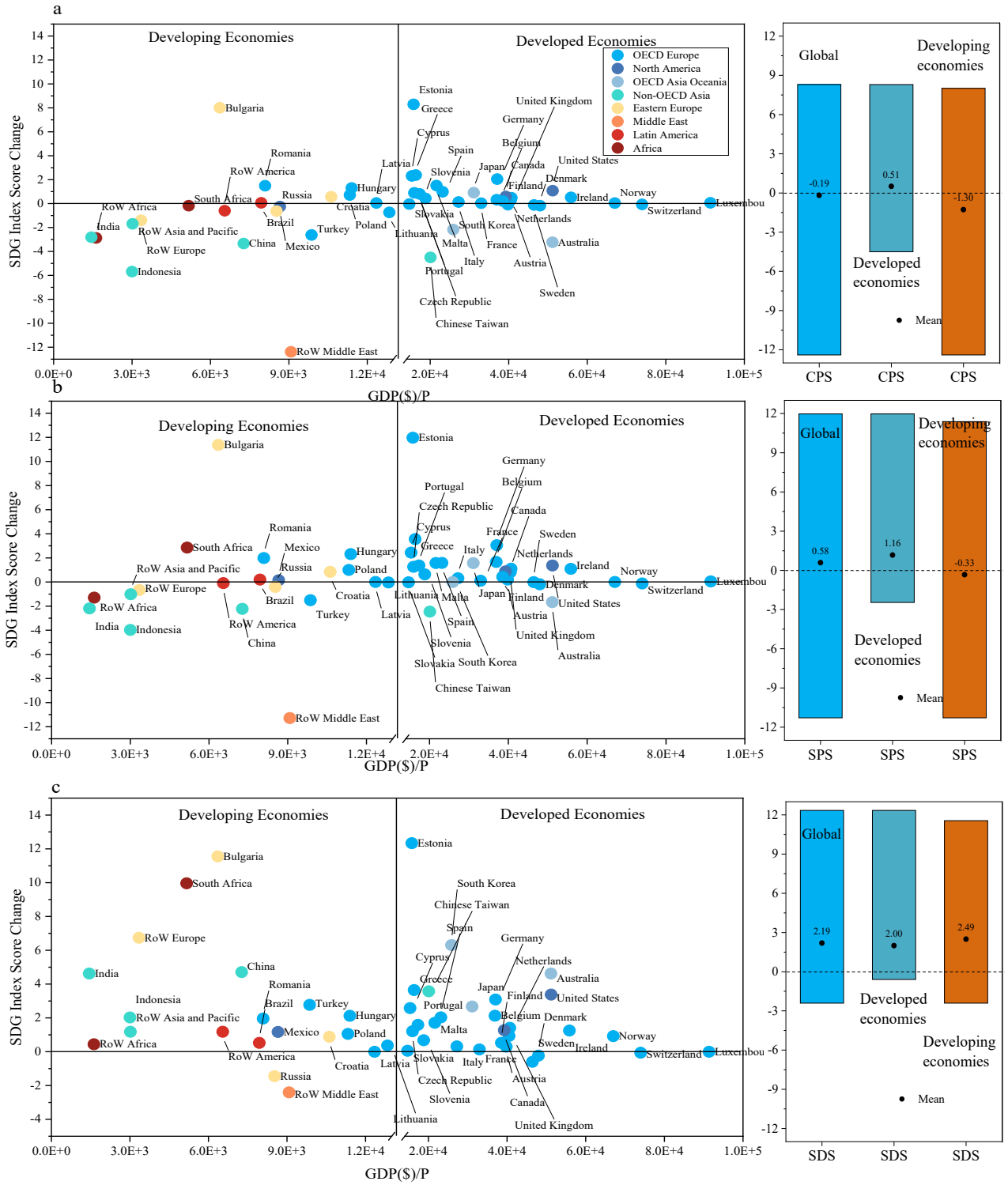
160

161 **The impacts of power transition on regional SDGs**

162 SDG index score changes vary significantly across economies (**Figure. 3**). In
163 general, the higher the GDP per capita is, the more inclined an economy is to improve
164 the SDG index score and vice versa (**Table S4**). During the period of 2015-2040, the
165 average SDG index scores of developed economies will increase by 2 percentage points
166 and almost every developed economy improves their SDG scores to some extent under
167 the SDS scenario. However, close to 30% of the developed economies may face a
168 decline in their SDG scores under the CPS scenario. In contrast, more than half of the
169 developing economies, mainly from Asia and Africa, will have a decline in their SDG

170 scores under the CPS scenario, while this number decreased to about 20% under the

171 SDS scenario.



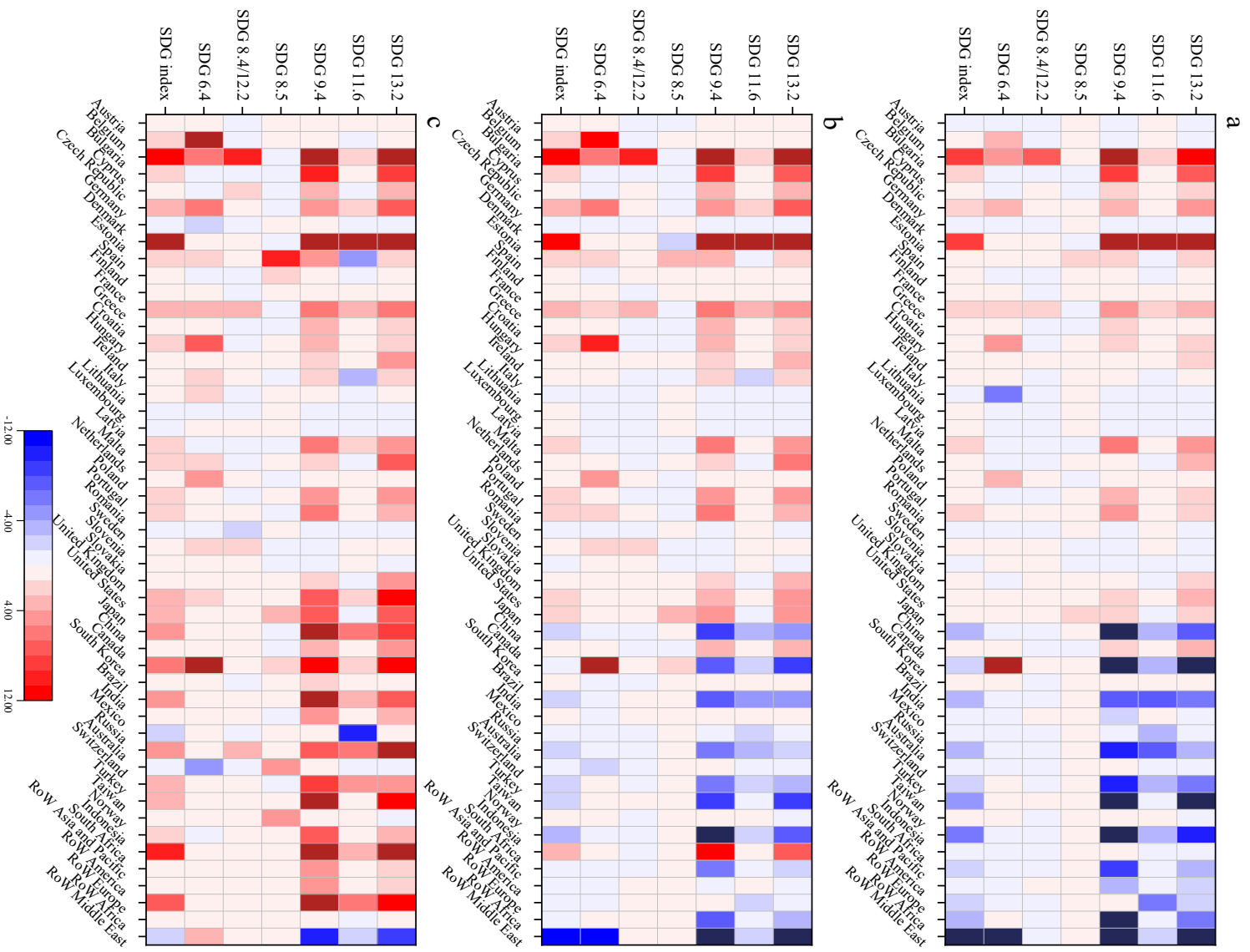
174 (a) changes under CPS, (b) changes under SPS, (c) changes under SDS and (d) score ranges and
175 mean score.

176

177 Estonia, one of the countries that most dependent on fossil power, is top economy
178 in SDG index score increase by 2040 under all scenarios, with a range of 8.29 to 11.33,
179 as it expects to significantly replace coal power through the development of renewable
180 energy such as wind power and biomass affected by European Climate Law. This
181 verifies that strict climate legislation can effectively improve the sustainable
182 development level of regions highly dependent on fossil power. In contrast, Middle East
183 is the economy with the biggest drops in SDG index score from 2.40 to 12.39, because
184 it will still develop gas power substantially.

185 SDS shows that regional power transition can also lead to synergies and trade-offs
186 between different individual SDGs (**Figure 4c**). As for synergies, more than 80%, 60%,
187 60%, 85%, 60%, and 80% of countries or regions will have an increase in SDG 6.4
188 scores, SDG 8.4/12.2 scores, SDG 8.5 scores, SDG 9.4 scores, SDG 11.6 scores, SDG
189 13.2 scores. However, there is a trade-off between SDG 8.5 and SDG index. For
190 example, under SDS, Bulgaria's SDG index score will increase by 11.55 in 2040, but
191 due to the loss of employment during the transition, its SDG 8.5 score fall by 0.05. In
192 addition, the power transition of some will increase all individual SDGs score, such as
193 United State, India, South Africa.

194

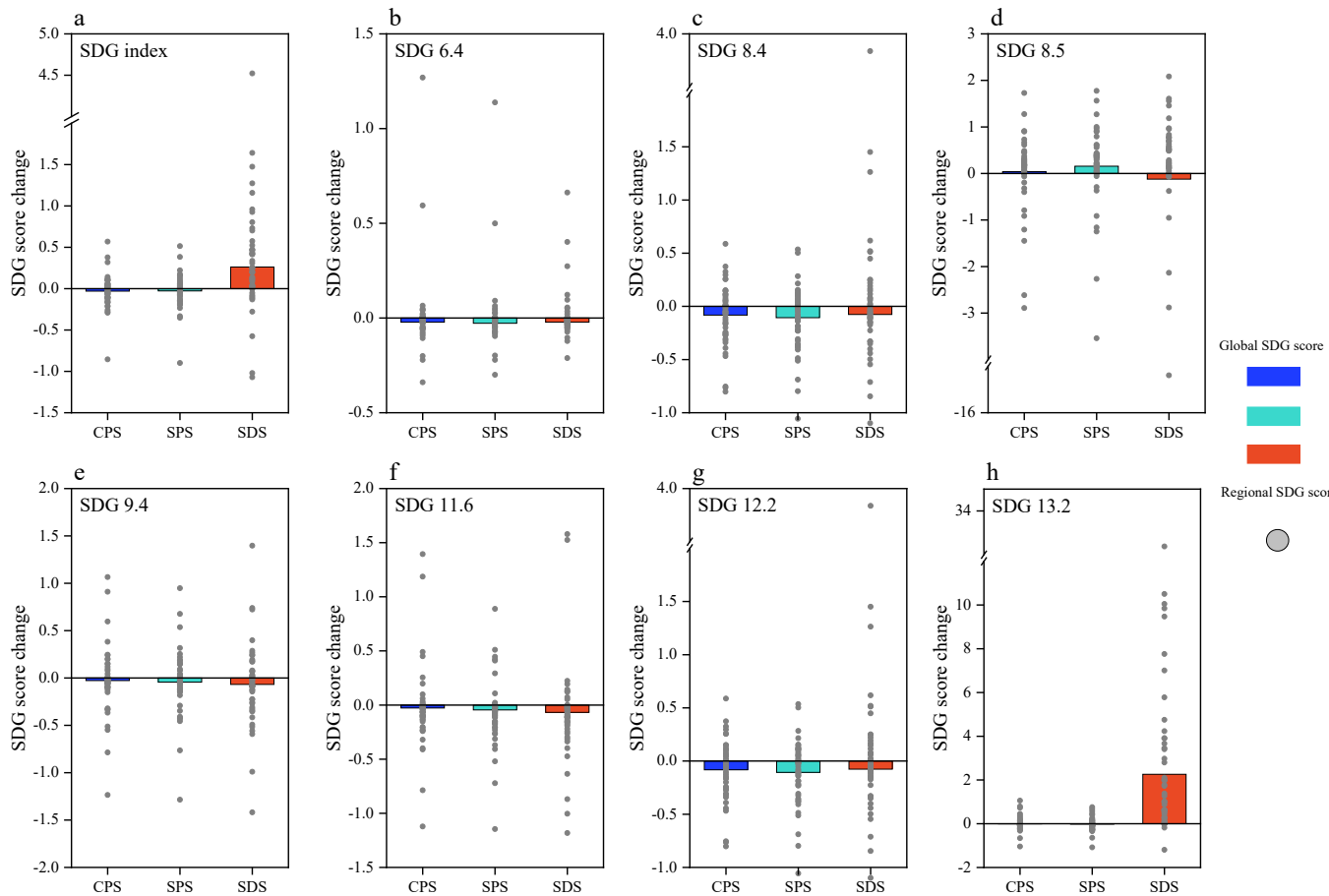


197 **Figure 4. Changes of regional SDG index and individual SDG score between 2015 and 2040**

198 **under three scenarios. (a) CPS, (b) SPS, and (c) SDS.**

200

201 **The effects of power transition related international trade changes on SDGs**



203 **Figure 5. The impacts of power transition related international trade on global and regional**
204 **SDG performance between 2015 and 2040 under three different scenarios.**

205 The power transition will change the scale and category of international trade for
206 renewable equipment and traditional power fuels between different economies and lead
207 to the changes in environmental emissions, resources consumption, employment and
208 value-added embodied in exports and imports, thus influencing SDG performance in
209 different regions. Under SDS scenario, the international trade will improve the overall
210 SDG performance (0.37%) globally between 2015 and 2040, while the results are
211 opposite (about -0.04%) under the CPS and SPS scenarios (**Figure 5a**). However, the

212 overall impacts of changes in international trade on the global SDG performance are
213 quite limited, as the traded commodities and services related to power sector only
214 account for less than 2% of the international trade, in terms of economic value. Climate-
215 related SDG (SDG 13.2) performance will have highest degree of improvement
216 (2.95%), mainly due to the reduction of CO₂ emissions embodied in thermal power-
217 related trade, under SDS (**Figure 5h**). Under CPS and SPS, the employment-related
218 SDG (SDG 8.5) performance will be improved (0.07-0.28%), mainly because of the
219 expansion of labor intensive renewable power sectors (**Figure 5d**). However, all
220 scenarios showed a decline (0.03-0.13%) in the average scores of resource-related
221 SDGs (SDGs 6.4, 8.4 and 12.2), due to the increase in power production related
222 resource use met by international trade (**Figure 5b, c and g**). The increasing resource
223 use for power transition may also lead to a decrease in the average scores of SDG 11.6
224 (Reduce the adverse per capita environmental impact of cities) by 0.04-0.1% under all
225 scenarios (**Figure 5f**).

226 From a regional perspective, more than 80% of economies would improve their
227 SDG performance under SDS (**Figure 5**). The countries/regions with rich fossil energy
228 resources, such as the Middle East, Czech Republic, Slovakia, ranked at the top in term
229 of SDG index score increase. This is mainly because other economies' low-carbon
230 power transition inevitably leads to the decrease of fossil fuel imported from these
231 regions, potentially reducing their resource extraction and related environmental
232 impacts. For example, under the SDS scenario, oil exports from the Middle East for

233 other economies' power production would be reduced by 65%, which result in a 0.28%
234 increase in its SDGs 8.4 (Improve resource efficiency in consumption and production)
235 score. In contrast, jobs will be wiped out in these fossil fuel export-dependent regions
236 such as Australia, as a result of the coal export decreases, therefore, leading to a 0.07%
237 of decrease in its employment-related SDG score (SDG 8.5). However, under CPS and
238 SPS, most of the individual economy's SDG progress (about 60%) would be impeded
239 by international trade, as the expansion of fossil fuel based power production leads to
240 the increase of power sector related resource consumption and environmental emissions
241 embodied in international trade. For instance, Russia, as a resource-rich economy, will
242 export more fossil resources to support power expansion of other economies, resulting
243 in an increase (about 7%) of carbon emissions embodied in its exports, and a decrease
244 (about 3%) of its climate-related SDG performance (**Table S5 and S6**).

245

246

247 **Discussion**

248 For the first time, we performed a quantitative analysis of power sector transition's
249 impacts on global and regional multiple SDGs performances. We found the evolution
250 of global SDG index score (the average score of seven selected SDGs) during 2015-
251 2040, is opposite under different climate scenarios. Power transition brings an increase
252 of 2.8% (72.36 in 2015 to 74.38 in 2040) in global SDG index score under the 1.5°C
253 scenario (i.e. SDS), while leads to a reduction of 1.3-1.5% (72.36 in 2015 to 70.55-

254 71.44 in 2040) under the ‘high coal’ and ‘medium-sized coal’ scenario (i.e. CPS and
255 SPS).

256 We also found that there are significant differences across regional SDG index
257 score changes. From 2015 to 2040, the regional SDG index score change is estimated
258 to be in the range of -12.39 (Row Middle East) to 8.29 (Estonia), -11.28 (Row Middle
259 East) to 11.97 (Estonia) and -2.4 (Row Middle East) to 12.33 (Estonia), under CPS,
260 SPS and SDS, namely ‘Coal-dependent’, ‘Middle of the road’ and 1.5°C scenario
261 respectively. In addition, the change of regional individual SDG score isn’t always
262 consistent with that of SDG index score. For instance, resource-related SDGs (SDGs
263 8.4 and 12.2) on 17 of the 49 economies, on the contrary, will become worse if the
264 currently fossil-dominated power structure transitioned to a renewable-dominated one (1.5°C
265 scenario).

266 According to Sustainable Development Report 2020, the progress of achieving the
267 SDGs by 2030 lags far behind the schedule predesigned by the UN ²⁷. One of the main
268 reasons is that there is a lack of understanding of the interactions between SDGs ²⁸,
269 which is essential to trade-offs between SDGs and advance the overall SDGs with
270 minimal efforts¹¹. As our research reveals the SDGs synergies and trade-offs in global
271 and regional power transition, which provide an insight into advancing the power
272 transformation and improving the current SDG “dilemma”.

273

274 **Developing economies’ lower carbon power transition is crucial**

275 Our results demonstrate that whether the global SDG performance can be
276 improved will be determined by developing economies' power transition. The main
277 reason is that fossil power contributed more than 70% of the electricity demand in
278 developing economies. As a result of gradual expansion in population and economy,
279 the electricity demand of developing economies will increase by 81.6-112.3% between
280 2015 and 2040, which is much higher than that of the developed economies (23.2-
281 28.4%)⁵. If power generation in developing economies is still dominated by fossil fuels,
282 there will be a large amount of greenhouse gas and pollutant emissions, as well as a
283 large amount of water resources and fossil fuels and minerals depletion, thus posing
284 great threats to global SDG progress.

285 To promote the clean and low carbon power transition in developing economies is
286 crucial to global SDG progress. Meanwhile, due to the different levels of economic
287 development and power structure, different developing economies need to take varying
288 measures.

289 For Africa, the continent with the lowest average income, the biggest challenge
290 facing transition is the lack of sufficient financial support²⁹. For example, African low-
291 carbon electricity transition cannot be achieved until investments in power growing by
292 two-and-a-half times through to 2040, according to IEA. Given the limited financial
293 capacity and financial constraints of utilities of governments, private sources of finance
294 will be critical to bridge investment gaps. However, more than 1/3 of sub-Saharan
295 African countries such as Nigeria, Sudan do not allow for private sector participation

296 in electricity generation or networks, which greatly jeopardizes the decarbonization of
297 electricity in these areas ⁵. For the smooth transition of the region, private investment
298 can be appropriately introduced.

299 For China and India, the two biggest coal-fired power producers in the world, a
300 rapid transition away from unabated coal use is essential. Recent regional trends reflect
301 a shift in coal power prioritization from the US and EU to many fast-developing
302 countries in Asia, especial in China and India ³⁰. Thus, specific policy efforts that target
303 coal-power production reduction are critical, for example, reductions in multilateral
304 development banks' financing of coal projects, national limits on coal consumption.
305 More importantly, the state needs to improve its commitment. China has come up with
306 clear carbon neutral targets and India needs to catch up.

307 **Measures to coordinate power transition and SDGs**

308 Transforming the power sector to low-carbon energy under the 1.5°C pathway (or
309 rapid low-carbon power transition) was verified that it can bring co-benefits to global
310 SDGs performance on the whole. However, the situation in each region differs from
311 one another. All individual SDGs in these nine economies, Australia, Ireland, United
312 States, Chinese Taiwan, RoW America, South Africa, RoW Europe, RoW Asia and
313 Pacific, India, can be advanced by rapid low-carbon power transition. This indicates
314 that the current and stated transition strategies of these countries are relatively
315 sustainable. However, it is worth noting that the power transition may lead to local SDG
316 conflicts in these economies. For example, the Indian government's clean energy

317 transition strategies (solar capacity addition targets are accompanied by the retirement
318 of thermal capacity) will create job opportunities primarily (60% of total) located in
319 western and southern parts of India (advancing SDG 8.5: Achieve full and productive
320 employment), while leading to job losses being concentrated in the coal-mining states
321 located in eastern India (hindering SDG 8.5) ³¹. Thus, it is recommended a
322 comprehensive review of the cross-regional impact of the power transition in large
323 economies, such as the United States and India, to reduce regional imbalances from
324 transition. Meanwhile, specific development plans for sub-regional low-carbon power
325 transition are needed.

326 For most countries, the rapid low-carbon transition will cause conflicts between
327 individual SDGs progress (where progress in one goal hinders progress in another), so
328 thus hinder SDGs progress. For example, the expansions of wind power in Germany
329 will increase demand for metals and nonmetals, and undermine its SDG 8.4. In response
330 to the material requirement or bottleneck for the future deployment of low-carbon
331 power, it is critical to increasing secondary supply of materials (recycle) other than
332 exploiting mines. Given the low rate of recycling of materials and high recycling costs
333 in power sector, more efforts need to be exerted into the centralized recovery of retired
334 electrical equipment and the development of technologies that have lower costs and
335 higher recovery rates. The social justice issues come from laid-off workers caused by
336 the decommissioning of coal power plants. For example, 4.9 million coal power-related
337 workers will be unemployed in China in 2040 under SDS. Coal electricians and

338 upstream coal miners are difficult to get reemployed due to their limited skills. Coal-
339 transition support is, therefore, a necessary measure for coal workers and should be
340 considered by policymakers in coal-dependent countries.

341 Our results also indicate that international trade associated with the power sector
342 has a limited effect on the global overall SDG performance, but it will profoundly affect
343 the SDG process of individual countries. This means cross-national inequities in
344 achieving SDGs progress may be exacerbated as the expansion of renewable power or
345 the reduction of fossil fuels in the electricity mix. For example, under SDS, in 2040,
346 55.9% of metal use increases (hindering SDG 8.4 and 12.2) in the Row Europe are
347 caused by power transition in the country itself, and the remaining 44.1% are driven by
348 the other countries (advancing SDG 9.4 and 13.2) low-carbon transition's ripple effects
349 throughout global supply chains. This emphasizes power transition as a global systemic
350 phenomenon, instead of looking at the area of power installation in isolation, which
351 calls for taking consumption-based accounting principle into considering when
352 formulating power transition strategies to facilitate best practice in minimizing impacts
353 on SDG.

354 **Limitations and future works**

355 This study employed the labor data in EXIOBASE 3 to analyze the impact of
356 power transition on regional employment. Although this data is more detailed on sector
357 classification than other authority's data, such as International Labor Organization, it
358 divides the broad renewable sector's employment into detailed industries (such as wind

359 power, PV) according to their shares in total compensation of employees, and does not
360 distinguish the employment coefficients difference between different renewable power
361 sectors. This may leave uncertainty in our employment accounting in renewable sectors.
362 In future research, more detailed employment survey data in renewable sectors is
363 needed to reduce the uncertainty of analyzing power transitions' impact on employment.
364 Moreover, the power transition is part of the energy transition, which also includes
365 industry and residential sectors' transition etc. Combining with the foundation lied by
366 this study, future studies can focus on much bigger picture, try to reveal the entire
367 energy system transition's influence on SDGs performance.
368

369 **Methods**

370 **Three climate scenarios**

371 The three climate scenarios (Current Policies Scenario, Stated Policies Scenario, and
372 Sustainable Development Scenario, namely ‘Coal-dependent’, ‘Middle of the road’ and
373 1.5°C scenario, respectively) were derived from the latest IEA’s World Energy Outlook
374 report. Current Policies Scenario is the most fossil-dependent scenario, in which coal-
375 fired electricity generation, with an amount of 12923 TWh, accounts for 30% of
376 electricity supply and gas-fired generation for about 25% by 2040. Under Stated
377 Policies Scenario, coal-fired electricity generation’s share of overall generation will
378 decline from 38% to 25% and the share of generation from renewables increases from
379 26% today to 44% in 2040, with solar PV and wind together rising from 7% to 24%.
380 Sustainable Development Scenario has the most ambitious scenario with renewables
381 generation to keep global temperature rise below 1.5°C above the pre-industrial level.
382 The growth of renewables generation raising their share of generation to two-thirds by
383 2040. Wind and solar PV together provide 40% of generation in 2040. More details
384 about the three scenarios can be found in the IEA’s World Energy Outlook.

385 **Indicator selection and data sources for SDG**

386 The indicators selected for SDG in this study were from *the Global Indicator*
387 *Framework for Sustainable Development Goals* developed by the United Nations’
388 Inter-Agency and Expert Group on SDG Indicators ³², two reports titled “*Indicators*
389 *and a Monitoring Framework for the Sustainable Development Goals*” and

390 “*Sustainable Development Report 2020*” published by the United Nations’ Sustainable
391 Development Solutions Network^{27,33}, and a study entitled “*Assessing progress towards*
392 *sustainable development over space and time*” published in Nature³⁴. We chose SDG
393 indicators based on the following three criteria: (1) the indicators are likely to be
394 affected by electricity transition, (2) the indicators can be quantified across
395 organizational levels and temporal scales, and (3) the data for quantifying the indicators
396 are available from EXIOBASE³⁵ (see more detail about EXIOBASE in the next
397 paragraph).

398 **Calculating the scores of selected SDG indicators**

399 Using 2015 as baseline year, we calculated the score of selected SDG indicators
400 for all 49 countries/regions in EXIOBASE 3. The procedure comprised following steps:
401 To ensure data comparability across different SDG indicators, each indicator data was
402 rescaled from 0 to 100, with 0 indicating worst performance and 100 denoting the
403 optimum. Given rescaling is very sensitive to extreme (outliers) values on both tails of
404 the data distribution, we followed the methods proposed by *Sustainable Development*
405 *Report 2020* to determine the upper bound and low bound of each SDG indicator. We
406 defined the data at the bottom 2.5th percentile of all economies’ SDG indicator
407 performances for a given SDG indicator as the minimum value (0) and the data at the
408 upper 2.5th percentile as the maximum value (100) for the normalization, for removing
409 the effect of extreme values. In addition, we used net CO₂ emissions to set a 100%
410 upper bound for SDG 9.4 and 13.2, as it must be achieved. After determining the upper

411 and lower bounds, we rescaled the selected SDG indicator values across economies to
 412 a scale of 0 to 100 with equation (1):

$$413 \quad Z' = \frac{Z - \min(Z)}{\max(Z) - \min(Z)} \times 100 \quad (1)$$

414 where Z represents the raw data value for a given SDG indicator. Min and max is the
 415 bounds for the worse and best performance, respectively. Z' denote the normalized
 416 value for a given SDG indicator.

417 **MRIO analysis for estimating the impacts of electricity transition on SDG**
 418 **progress**

419 First, we applied Input-Output analysis (IOA) to quantifying the environmental-
 420 social-economic impact of power sector in 2015. This model captured both direct and
 421 indirect effects of eleven electricity production sub-sectors (including coal power, gas
 422 power, nuclear power, hydroelectricity, wind power, petroleum and other oil derivatives
 423 power, biomass and waste power, solar photovoltaic, solar thermal, tide, wave, ocean
 424 power, and geothermal power) on environmental emissions, water resources use,
 425 material use, employment and value-add. The basic framework of IOA is as follow:

$$426 \quad X = (I - A)^{-1}Y \quad (2)$$

427 where $X = \begin{bmatrix} X_i^r \end{bmatrix}_{n \times 1}$, X_i^r is the total output of i th sector in region r . I is the identity
 428 matrix. $A = \begin{bmatrix} A_{ij}^{rs} \end{bmatrix}_{n \times n}$ is the technical coefficient matrix, A_{ij}^{rs} is given by
 429 $A_{ij}^{rs} = Z_{ij}^{rs} / X_j^s$, in which Z_{ij}^{rs} represents the monetary value flows from i th sector in
 430 region r to j th sector in region s and X_j^s is the total output of j th sector in region s .

431 $Y = \begin{bmatrix} Y_i^{rs} \end{bmatrix}_{n \times m}$ is the final demand matrix, Y_i^{rs} represents the final demand of region
 432 s for the goods and services of i th sector from region r .

433 Total (including direct and indirect) environmental-social-economic impact of one

434 of electricity production sub-sectors can be mathematically expressed as:

$$435 \quad R = f(I - A)^{-1} X' \quad (3)$$

436 where f is a matrix of the environmental emissions, water resources use, material use,
 437 employment and value-add intensity (the direct environmental emissions, water
 438 resources use, material use, employment and value-add per unit total output from each
 439 sector) for all economic sectors in all regions. X' is the total output matrix with zeros
 440 for all sectors' total output other than the electricity production sub-sectors.

441 In addition, we define the difference between the total impact and the direct impact
 442 (E , the direct environmental emissions, water resources use, material use, employment
 443 and value-add) as the impact of trade (T).

$$444 \quad T = R - E \quad (4)$$

445 **Declaration of Interests**

446 The authors declare that they have no competing interests.

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451 **Table 1 Indicators selected for quantifying the impacts of power transition on SDG**

No.	SDG Indicators	SDG indicators illustration
1	SDG 6.4 Ensure sustainable withdrawals and supply of freshwater	6.4.1 Water-use efficiency: blue water consumption per GDP
		6.4.2 Level of water stress: blue water withdrawal as a proportion of available freshwater resources
2	SDG 8.4 Improve resource efficiency in consumption and production	8.4.1 (1) Domestic material use per capita: metal use per capita
		8.4.1 (2) Domestic material use per capita: non-metallic minerals use per capita
		8.4.1 (3) Domestic material use per capita: fossil fuels use per capita

		8.4.1 (4) Domestic material use per capita: biomass use per capita
		8.4.2 (1) Domestic material use per capita: metal use per GDP
		8.4.2 (2) Domestic material use per capita: non-metallic minerals use per GDP
		8.4.2 (3) Domestic material use per capita: fossil fuels use per GDP
		8.4.2 (4) Domestic material use per capita: biomass use per GDP
3	SDG 8.5 Achieve full and productive employment	8.5 Unemployment rate (% total labor force)
4	SDG 9.4 Promote clean and Sustainable industrialization	9.4 CO ₂ emissions per unit of value added
5	SDG 11.6 Reduce the adverse per capita environmental impact of cities	11.6 Annual mean levels of fine particulate matter (e.g. PM _{2.5} and PM ₁₀) in cities (population weighted)
6	SDG 12.2 Achieve the sustainable management and efficient use of natural resources (same indicators in the official indicator book: 8.4.1/12.2.1, 8.4.2/12.2.2)	12.2.1 (1) Domestic material use per capita: metal use per capita
		12.2.1 (2) Domestic material use per capita: non-metallic minerals use per capita
		12.2.1 (3) Domestic material use per capita: fossil fuels use per capita
		12.2.1 (4) Domestic material use per capita: biomass use per capita
		12.2.2 (1) Domestic material use per capita: metal use per GDP
		12.2.2 (2) Domestic material use per capita: non-metallic minerals use per GDP
		12.2.2 (3) Domestic material use per capita: fossil fuels use per GDP
		12.2.2 (4) Domestic material use per capita: biomass use per GDP
7	SDG 13.2 Integrate climate change measures into national policies, strategies and planning	13.2.1 CO ₂ emissions intensity of forest areas
		13.2.2 CO ₂ emissions intensity per capita
		13.2.3 CO ₂ emissions intensity per GDP

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