

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



SDG 9: Progress, gaps and recommendations for the UK

Compiled by:
Christian Aid



While many of the targets of Goal 9 are important for overall delivery of the SDGs, this report will focus on infrastructure.

Target 9.1:

Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human wellbeing, with a focus on affordable and equitable access for all; and Target 9.a: Facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological and technical support to African countries, LDCs, landlocked developing countries and SIDS.

The recent report by the intergovernmental Panel on Climate Change demonstrates the need to reach net zero emissions globally by around 2050 (see **Goal 13**).¹ The UK should apply this objective to all its international work on infrastructure as a fundamental determinant in design, including in the materials used and its intended use.

When it comes to transport, this could mean investing in public transport powered by renewable electricity or other sustainable modal shifts, or creating the infrastructure to allow a rapid uptake of electric vehicles.

The UK could play a role in securing building codes that ensure all new buildings require very low energy inputs and are supplied by renewable energy sources. Retrofitting should also be applied as much as possible to minimise energy use.

Targets 9.1 and **9.a.** should only be achieved through the development of infrastructure that is designed to be resilient to climate impacts (see also **Goal 13**). Planning for water provision and waste water infrastructure that can cope with increasing numbers and of the most extreme weather events will be increasingly important.

Infrastructure development must be economically and environmentally sustainable, pro-poor, gender sensitive and inclusive. For example, new schools should be accessible to children with disabilities and public services, such as education, energy and water, should be affordable for the poorest households. Any changes in land use associated with infrastructure development, in particular that supported or delivered by the UK, should avoid adverse impacts that can perpetuate or worsen inequality, for example, by undermining the land rights of indigenous peoples or other vulnerable groups.²

In many countries in the Global South, conventional power infrastructure has not effectively ensured access to energy for people in remote areas or in areas susceptible to disaster risk. It has also tended to contribute to dependence on polluting fossil fuels, with implications for climate change and for financial resilience in those countries that are heavily dependent on fossil fuel imports.

The expansion of centralised energy systems and large scale infrastructure projects, such as large dams, has been very costly in financial terms and in terms of environmental impacts that are felt disproportionately by women and the very poor. In general, these initiatives have not been successful in addressing the unmet energy needs of people living in poverty, particularly for household cooking requirements with important implications for women's health and unpaid household workloads.

1. <https://www.ipcc.ch/sr15/>

2. <https://www.christianaid.org.uk/sites/default/files/2018-04/Amazon-Strategy-April-2018.pdf>

Lack of access to clean, modern and sustainable energy also hinders economic development and perpetuates poverty. It deprives people living in poverty of opportunities to improve their productivity and quality of life, and so reinforces inequality.³

There has been recent progress in and increasing cost-effectiveness of decentralised renewable energy systems and infrastructure (see also **Goal 7**). Considering the many potential advantages of decentralised renewable energy for the most energy-poor in terms of resilience, affordability and environment, the UK should support the implementation of **Goal 9**, as well as **Goal 7**, by contributing to the promotion of locally appropriate, pro-poor and gender sensitive infrastructure for clean, efficient and renewable energy access and sustainable development.⁴ This is recognised in DFID's 2017 EDS, which notes "the need to step up efforts on energy [and] infrastructure..."⁵

The Global Commission on the Economy and Climate has highlighted various areas to prioritise that the UK should consider in this assessment of progress under this Goal.⁶ These include:

- Tackling price distortions, such as subsidies for fossil fuels and carbon, to create better incentives for investment and innovation for clean technologies, including renewable energy infrastructure measures to reduce pollution and congestion.
- Strengthening policy frameworks and institutional capacities for investment.
- Transforming the financial system to enable the delivery of the scale and quality of investment needed in order to augment financing from all sources.
- Increasing investments in clean technology, research and development, and deployment to reduce the costs and enhance the accessibility of more sustainable technologies.

Countries in the Global South will require around \$4tn per year to invest in low-carbon clean infrastructure.⁷ However, the Paris Climate Agreement only makes provision for richer countries to transfer a minimum of \$100bn per year to poor countries to finance adaptation and mitigation (see **Goal 13**).

Private financing plays an important role, but much more needs to be done to ensure it works for long-term economic, social and environmental benefits, rather than short-term financial returns. For example, Christian Aid's research into private financing from some of the largest

UK-headquartered banks found continued over-financing of fossil fuel industries.⁸ On the other hand, in 2015 the French government introduced legislation requiring investors to report on how they are managing climate change-related risks in their portfolio, as well as an assessment of their contribution to meeting the international target of limiting global warming. Other governments including the UK must play a similar role in regulating private finance and the UK should take this into account in its international work on infrastructure development.

PPPs, whereby the private sector provides infrastructure assets such as schools and roads and services like education, water and sanitation that traditionally have been provided by governments, are increasingly being promoted as the solution to the shortfall in financing needed to achieve the SDGs. However, these have been found to often have hidden or unanticipated costs that place a heavy burden on the public purse, may involve agreements that shift the burden of risks on the public sector, and result in higher costs for citizens (see also Goal 8). They can also be complex to negotiate and lack transparency, undermining local ownership and democratic accountability.⁹

In view of this, it is recommended that DFID avoid promotion and incentivising of PPPs for social and economic infrastructure financing and instead promote high quality, publicly funded, democratically controlled and accountable public services and investment in public infrastructure.

3. <https://www.christianaid.org.uk/sites/default/files/2017-08/energy-for-development-south-asia-addressing-energy-inequality-sustainably-february-2015.pdf>

4. Ibid.

5. <https://www.gov.uk/government/publications/dfids-economic-development-strategy-2017>; and <https://www.gov.uk/government/publications/department-for-international-development-single-departmental-plan>

6. https://newclimateeconomy.report/2016/wp-content/uploads/sites/4/2016/08/NCE_2016_Exec_summary.pdf

7. Ibid.

8. https://www.christianaid.org.uk/sites/default/files/2016-11/our-future-in-their-plans-nov-2016_0.pdf

9. <https://eurodad.org/HistoryRePPPeated>

To achieve Goal 9, the UK government should:

- Ensure all infrastructure spending is consistent with reducing greenhouse gas emissions, keeping to a 1.5° warming scenario and achieving global net zero emissions by 2050, thereby minimising stranded assets (see **Goal 13**).
- Ensure support for infrastructure development that is “future-proof”, resilient to climate impacts and meets the necessary social conditions for sustainability, including being pro-poor, gender sensitive and doing no harm.
- Develop a comprehensive plan to ensure access to clean and sustainable energy for all, and to finance and diffuse appropriate infrastructure and technologies for this purpose as part of the UK’s broader international investment strategies.
- Support countries in finding the best financing method for public services and social and economic infrastructure, which are responsible, transparent, environmentally and fiscally sustainable, and in line with their human rights obligations. Prioritise tax revenues as the most sustainable and accountable source of finance.
- Ensure good and democratic governance is in place before pursuing large scale infrastructure or service developments. This should include informed consultation and broad civil society participation and monitoring by local communities, trade unions, and other stakeholders. Uphold the right to free, prior and informed consent, and ensure the right to redress for any affected communities, including key left behind groups.

This chapter is part of Bond’s report, **The UK’s global contribution to the Sustainable Development Goals**.

Access the rest of the report at bond.org.uk/UK-global-contribution-SDGs

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