



SDG 17: Progress, gaps and recommendations for the UK

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The UK has supported the delivery of the SDGs through partnerships and finance, a crucial element of which is official development assistance (ODA). However, since 2019, the decision to merge DFID and the FCO, and significant cuts to the ODA budget, on top of existing issues such as a lack of cross-government policy coherence, risk significantly undermining the UK's approach.

Even before the Covid-19 pandemic, financing for the SDGs was not enough. The OECD predicts that the \$2.5 trillion annual SDG financing gap in low- and middle-income countries will increase by \$1.7 trillion.³⁴⁵ To address this, international financing needs to be mutually coherent to avoid different policies and practices undermining each other. It is encouraging to see the UK improve its score on the Commitment to Development Index (CDI), which ranks it third out of 40 of the most powerful countries for its policies on investment.³⁴⁶ However, the CDI ranks the UK 20th for international investment agreements and indicates that it should include fewer provisions in its bilateral investment agreements to pursue their development objectives.³⁴⁷

345. OECD (2020), <u>Global Outlook on Financing for Sustainable</u> <u>Development 2021 : A New Way to Invest for People and Planet</u> 346. Center for Global Development, <u>The Commitment to Development</u> Index' [online, accessed June 2022] 347. Ibid



Developed countries to implement fully their official development assistance commitments, including the commitment by many developed countries to achieve the target of 0.7 per cent of ODA/GNI to developing countries and 0.15 to 0.20 per cent of ODA/GNI to least developed countries; ODA providers are encouraged to consider setting a target to provide at least 0.20 per cent of ODA/GNI to least developed countries

Where we have seen significant backsliding is on the UK's ODA commitment. The decision to cap the ODA budget at 0.5% of GNI, down from the legally-enshrined 0.7%, cut an estimated £4 billion from the ODA budget in a matter of months in 2021. We have also seen a concerning trend in that ODA is moving away from tackling poverty and inequality.³⁴⁸ There is evidence that the cuts to ODA significantly harmed poverty-eradication efforts and disproportionately fell on bilateral programmes and vulnerable countries. The decision to withdraw funding as it was most needed, the scale of the cuts, and the speed at which they were implemented all caused significant harm to people's lives as well as to the reputation of the UK and its partner organisations. Greater transparency and analysis are needed to understand the scale of damage inflicted.

Alongside this, the UK has also made the political decision to include Covid-19 vaccine donations, debt relief, recycled SDRs (special drawing rights) and the supposedly 'new and additional' climate finance within the 0.5% aid budget. While these are welcome initiatives, counting them within the 0.5% ODA budget means there are fewer resources available for critical interventions to fight poverty.

348. Center for Global Development (2021), <u>Assessing the UK's ODA</u> Focus on Poverty and Africa

To achieve the SDG 17 target on ODA, the UK government should:

- Restore ODA to 0.7% and make public the government's plan for scaling finance back up to meet this target.
- 2. Fulfil the Paris Agreement commitment to make climate finance new and additional to ODA.
- 3. Treat finance such as vaccine sharing, debt relief and SDRs, which present minimal fiscal burden to the UK, as additional to the ODA budget.
- 4. Improve the strategic focus of UK ODA to ensure it best targets drivers of poverty.

O Target 17.4:

Assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring, as appropriate, and address the external debt of highly indebted poor countries to reduce debt distress.

Debt indicators were already worsening prior to the pandemic, which has further increased debt distress. Of the 69 countries assessed by the International Monetary Fund (IMF), 39 were in debt distress or at high risk in December 2021, up from 15 in 2013.³⁴⁹ Government external debt service as a percentage of exports of goods and services for low- and lower-middle-income countries has more than doubled, from 3.4% in 2012 to 8.1% in 2020³⁵⁰,putting delivery of public services and achievement of the SDGs at risk.

When the pandemic began the G20 created a scheme to suspend debt payments in 2020 and 2021. However, only 23% of external debt payments were suspended for countries that applied to the scheme, primarily because debts to private lenders were not included.³⁵¹ The G20 has now created a common framework for debt restructuring. Three countries applied at the start of 2021, but none have had any debt restructured, with private lenders again refusing to take part. Around 45% of international

government bond contracts are governed by English law, as well as 90% of bond contracts of countries eligible for the framework. $^{\rm 352}$

To help prevent debt crises from happening again, all loans to governments should be publicly disclosed so that parliamentarians, media and civil society can hold borrowers and lenders to account on how money is used. In 2019, private lenders through the Institute for International Finance agreed voluntary guidelines on disclosing details of loans to lower-income country governments, but only two banks have disclosed any loan information. In 202,1 the UK used its G7 Presidency to obtain a commitment by G7 governments to disclose details of their loans to lower-income country governments.

To achieve the SDG 17 target on debt, the UK government should:

- Make private creditors take part in debt restructuring, including through the Common Framework. Relevant jurisdictions, especially the UK, New York and the rest of the G7, should pass legislation to make it more difficult for private creditors to refuse to take part in debt restructuring. Governments should be politically and financially supported by the G20 and IMF to default on any creditor that refuses to take part in a Common Framework debt restructuring. The IMF and G20 should require any debt restructuring to reduce the risk of debt distress to at least a moderate level, with space to absorb shocks.
- 2. Build on the steps already taken on lending transparency. The UK government should work with the G20 to obtain a strong commitment to publicly disclose details of loans to governments and enact legislation to require loans to governments given under English law to be publicly disclosed.

352. Debt Justice (4 May, 2020), '<u>G20 debt suspension request: 90% of bonds governed by English law</u>' [online article, accessed June 2022]

^{349.} Calculated by Jubilee Debt Campaign from IMF sources. Full data by country is at https://data.jubileedebt.org.uk
350. Calculated by Jubilee Debt Campaign from World Bank International

Debt Statistics 351. Financial Times (12 October 2021), '620 plan for Covid debt relief to

poor countries falls short', [online article, accessed June 2022]



) Target 17.6:

Enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through a global technology facilitation mechanism.

Covid-19 brought showed the world the value of research capacity, a strong science-policy interface and effective mechanisms for international science cooperation. The role of science in delivering the SDGs is set out in the 2030 Agenda, with a global Technology Facilitation Mechanism³⁵³ established in Target 17.6 to improve cooperation on and access to science.

The Sustainable Development Report 2019³⁵⁴ notes that 'science and technology are powerful agents of change' and that 'increased science-policy-society cooperation can harness breakthroughs in our understanding of coupled human-environment systems'. Recognising this potential, science-for-development features prominently in the UK's Integrated Review of Security, Defence, Development and Foreign Policy (Integrated Review)³⁵⁵ and the international development strategy. This builds on the Global Challenges Research Fund (GCRF)³⁵⁶, which draws on UK science capacity to work in low- and middle-income countries, with and for those disproportionately affected by diverse global challenges.

Enhancing international cooperation on science was severely weakened by ODA cuts in 2021. Disproportionately impacting GCRF project budgets³⁵⁷, these cuts threatened the trust and partnerships necessary to achieve impactful research on vital areas, such as reducing disaster risk and water insecurity. Whether tackling another pandemic or accelerating decarbonisation, the UK government should recognise the value of reliability if they are to realise their science ambitions.

353. UN '<u>Technology Facilitation Mechanism (TFM)</u>' [web page, accessed June 2022]

 354. UN (2019), The Future Is Now: Science for Achieving Sustainable Development: Global Sustainable Development Report 2019
 355. HM Government (2021), Global Britain in a Competitive Age: the Integrated Review of Security, Defence, Development and Foreign Policy
 356. UK Research and Innovation, <u>Global Challenges Research Fund</u> [web page, accessed June 2022]

357. The Campaign for Science and Engineering, '<u>ODA funding for</u> research has been disproportionately affected: written evidence, <u>submitted to Parliament</u>' [online, accessed June 2022]

To achieve SDG 17 targets on science, the UK government should:

- 1. Publish a cross-departmental strategy outlining future engagement in the TFM and how it will leverage the knowledge and skills of the UK science community to support this.
- 2. Build on the opportunities created by the GCRF through dedicated funding calls, prioritising equitable partnerships and providing the guarantees required to demonstrate that the UK is a reliable international partner.

Target 17.9:

Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the SDGs, including through North-South, South-South and triangular cooperation

In its follow-up review of DFID's partnerships with civil society organisations in 2020, the Independent Commission for Aid Impact found DFID had made good progress in changing how it approached civil society partnerships to support long-term capacity development. The review recommended stronger attention be paid to the capacity and sustainability needs of civil society partners in low and middle-income countries.³⁵⁸ However, since the merger we have seen very little progress on this and no follow up to the commitments made in DFID's 2016 Civil Society Partnership Review.

In recent years there has been a push to recognise the colonial power dynamics between the UK and the communities that it works with. It is now recognised that we should value the locally produced knowledge, expertise and lived experience of people and communities. While there is a role for funders to provide support and resources for communities to help them build their own capacity, this must not involve partners from high-income countries telling communities in low- and middle-income countries what to do.

Part of this change in thinking is based on a recognition that power should be shifted to local communities. The recent international development strategy commits the FCDO to becoming 'locally owned', arguing that 'those who benefit from our work must have a voice in what we do, and how we do it'. However, there is little detail of what this will mean in practice.

358. ICAI (2020), I<u>CAI follow-up: DFID's partnerships with civil society</u> organisations: A summary



To achieve the SDG 17 target on capacity building, the UK government should:

 Prioritise transformational partnerships that provide long-term, flexible, core funding that give civil society organisations the power to make decisions themselves. Enable communities to lead, and focus on providing support and funding directly to local civil society organisations so that local actors are involved in the decisions that affect them and their communities.

) Target 17.10 and 17.12:

Target 17.10: Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the WTO, including through the conclusion of negotiations under its Doha Development Agenda; and Target 17.12: Realise timely implementation of duty-free and quota-free market access on a lasting basis for all LDCs, consistent with WTO decisions, including by ensuring that preferential rules of origin applicable to imports from LDCs are transparent and simple, and contribute to facilitating market access.

Trade and investment rules have immense potential to support the achievement of the SDGs, particularly in low- and middle-income countries. However, as currently configured, trade and investment rules often contribute to worsening outcomes in areas such as inequality, environmental protection and climate change, access to public services, decent work and industrial development. Since trade and investment rules are negotiated behind closed doors, they can be developed without reference to the SDGs, human rights and other international commitments. They can limit countries' policy space by acting as a disincentive to regional integration or prevent countries from choosing the most appropriate policy mix to achieve their development goals. This effect is most apparent where an investor-state dispute settlement mechanism is included in a deal, as it can deter countries from taking policy decisions, for fear of being taken to arbitration, and impact revenues where large awards are made against countries.

Aspects of the emerging post-Brexit UK trade policy are to be welcomed. These include the steps it has taken to develop more extensive and binding provisions on climate change in its deals with the EU and New Zealand, which we hope will be replicated in future deals, and its commitment to participate in international work to address the impacts of trade on climate goals and gender inequality. However, the UK is yet to set out a clear, overarching strategy for trade, and in particular trade and development. Despite the inclusion of better language, impact assessments still show an increase in greenhouse gas emissions as a result of UK trade deals, and commitments on gender have not translated into real action.

It is not clear that UK trade and investment policy will cohere with its SDGs commitments. The UK's work at the WTO has tended not to advance the principles or commitments of the Doha Development Round. The UK has rolled over EU Economic Partnership Agreements, despite requests from partner countries for time to revise the deals, and without addressing serious concerns about the impact on important development goals, such as increased regional integration.

To achieve SDG 17 targets on trade, the UK government should:

- Produce a UK trade strategy that outlines how trade policy will support UK foreign policy commitments, including the SDGs and the Paris Climate Agreement.
- 2. Rethink Economic Partnership Arrangements by developing a new approach that supports inclusive and sustainable economic growth and prospects for productive employment, and addresses gendered disparities (see SDG 8).
- 3. Develop proper mechanisms for transparency and scrutiny in trade negotiations and agreements involving civil society and trade unions.
- Ensure UK trade policy coheres with its SDG commitments, human rights, tackling climate change and ensuring there are no other negative impacts on low- and middle-income countries. This should include suspending negotiations with countries where there is evidence of serious breaches of human rights.
- 5. Exclude investor-state dispute settlement mechanisms from all future trade and investment agreements.
- 6. Design a preferential market-access scheme offering duty-free, quota-free market access to imports from economically vulnerable countries, including but not limited to, the world's least developed countries. Make regional trade cooperation and integration the central aim of such a scheme.
- 7. Use its position as an independent member to push for a fundamental rethink of the purpose and powers of the WTO.

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The UK is also seeking a deal with India, classified as a lowermiddle-income country, home to one-quarter of the world's poorest people and where there are serious concerns about human rights, including the detention without trial of a UK national who alleges he has been tortured. Despite this, there is little detail setting out how the deal will support the achievement of the SDGs or support UK human rights commitments.



Enhance policy coherence for sustainable development.

Resources, implementation and governance structures are all crucial to ensuring a coherent cross-government approach to SDG implementation. Where governments assign leadership for implementing the SDGs indicates the level of political commitment as well as lines of accountability. According to an independent assessment of the 2021 voluntary national reviews (VNRs)³⁵⁹, leadership on the SDGs around the world usually resides with heads of states. But this is not the case in the UK, and political commitment to policy coherence for sustainable development remains low. Ownership and understanding of the SDGs in most government departments is also insufficient. Without strong and maintained leadership from the top, the necessary cross-government working and policy coherence is unlikely to be achieved. The Cabinet Office should be responsible for the UK's implementation of the SDGs, both in the UK and around the world, to ensure delivery sits at the very heart of government³⁶⁰.

In the 2019 VNR the UK government committed to 'review and further strengthen the existing means and mechanisms to oversee its contribution to domestic delivery of the Goals', and stated that 'this review will take place as a matter of priority and will examine both official and ministerial level structures'. No such review has taken place so we would urge this to happen as soon as possible.

In 2021, the UK government published its national planning framework in the shape of outcome delivery plans (ODPs). The ODPs improved the level of detail with regards to SDG reporting, but the public plans were very top-level and only provided information on which SDG targets were being implemented by the government's priority outcomes. The government missed an opportunity to resolve issues of policy coherence by conducting critical analysis on how the plans of each government department affect the others, or how domestic policies affect the UK's work internationally. The government should seek to address these gaps in future ODPs.

359. Cooperation Canada (23 February, 2022), <u>'Sixth Edition of</u> <u>Progressing National SDGs Implementation</u>' [online article, accessed June 2022]

360. House of Commons International Development Committee (2019), UK progress on the Sustainable Development Goals: The Voluntary National Review

Spotlight on devolved governments: Scotland's unique global contribution to the SDGs

Scotland's global contribution to the SDGs is notably distinct to other parts of the UK, given the Scottish government has developed a unique approach to SDG implementation and standalone international development and climate justice programmes. A key part of Scotland's approach to the SDGs has been to align and integrate the SDGs across government, in other words, making attempts to enhance policy coherence for sustainable development (SDG 17.14).

Key to this approach to the SDGs is its National Performance Framework (NPF) . The NPF is the main mechanism through which the SDGs are localised and implemented in Scotland. It sets an overall purpose and vision for Scotland and is used to measure how well Scotland is progressing towards the national outcome which, by law, must be set and reviewed every five years.

Since 2018 and the last review, there have been 11 national outcomes that are broadly aligned to the SDGs. This includes a national outcome to be 'open, connected and make a positive contribution internationally'. The inclusion of an international outcome was a big step forward and has been a catalyst for better alignment and integration of Scottish government policy in support of SDG implementation globally, including, for example, by ensuring the SDGs and commitments to international development are part of its 2021 vision for trade and its climate change plan.

Scotland's commitment to enhance policy coherence for sustainable development has also brought about more recent commitments, including to establish the Ministerial Working Group on Policy Coherence for Sustainable Development, and to bring forward the Wellbeing and Sustainable Development Bill, this requires public bodies and local government to take account of the impact of their decisions on sustainable development, in Scotland and internationally.

Research published in May 2020 suggests this latter commitment could be ground-breaking for the way it helps to narrow the gap between ambition and delivery of Scotland's approach to sustainable development. Strengthening accountability, systems, processes and duties in Scotland creates a culture of continuous improvement that encourages, nurtures and supports joined-up thinking, enabling Scotland to make an enhanced contribution to sustainable development at home and abroad.



To achieve the SDG 17 target on policy coherence, the UK government should:

- Ensure that the SDGs are championed publicly by the most senior members of the government, particularly the Prime Minister, Chancellor and Foreign Secretary as a way to tackle both domestic and international challenges in a coherent way to build a better world for everyone.
- 2. Establish an appropriate mechanism in the Cabinet Office, at the very heart of government, to lead on communication and implementation of the SDGs across government, including coordination with existing mechanisms in the devolved administrations.
- Clearly articulate how programme design and monitoring will balance cross-cutting issues, for example, how promoting one area of SDG implementation will link with the achievement of another goal whilst avoiding harm in other areas.
- 4. Outline how there will be consistency and coherence across all policies that guide the UK's relationships with other countries. This should include recognising the role of devolved governments in the UK and outlining how they will work together on international development.
- 5. Outline how it will ensure that other international actions (for example, trade, economic and growth strategies) do not undermine the objectives of UK ODA or lead to people being pushed further behind, particularly in light of growing inequalities as a result of Covid-19, and will also help to promote inclusion.



Encourage and promote effective public, publicprivate and civil society partnerships, building on the experience and resourcing strategies of partnerships.

Cross-sector partnerships are a central pillar of the SDGs and vital to their successful delivery. Consulting and engaging with non-state actors, such as civil society organisations, ensures a whole-of-society approach to implementing the SDGs. Engagement between government and civil society must be meaningful, inclusive and deliberative.³⁶¹ A pre-requisite for such engagement is having an environment that enables non-state actors to contribute. It is concerning that the UK recently passed several pieces of legislation that restrict civic space here in the UK, including the Police, Crime, Sentencing and Courts Act, the Elections Act, and the Judicial Review and Courts Act, as well as proposing several more pieces including the Bill of Rights and Public Order Bill. It is critical that civil society engagement and participation in public debate and accountability is upheld, both in the UK and internationally.

In the 2019 VNR, the UK government committed to establishing an effective mechanism to enhance stakeholder engagement. The vast majority of countries that presented VNRs in 2021 make use of formal (67%) and informal (81%) mechanisms for engagement on SDG implementation.³⁶² The UK government, meanwhile, has yet to establish this critical tool. It is imperative that this is implemented as soon as possible.

To achieve SDG 17 targets on multi-stakeholder partnerships, the UK government should:

- Take immediate action to fulfil its 2019 VNR commitments and establish an inclusive, multistakeholder engagement mechanism on SDG implementation to lead on evaluating and identifying gaps, adapting policies, and targeting areas where further progress is needed to ensure no one is left behind.
- 2. Ensure that all engagement with civil society is meaningful, inclusive and deliberative, and ensure civil society engagement and participation in public debate and accountability is upheld, both in the UK and internationally.
- 3. Proactively support international civil society around the world and in the UK, and collaborate on SDG implementation and advocacy.

361. Bond (1 April, 2019), '<u>Ensuring civil society is heard</u>' [online article, accessed June 2022]
362. Cooperation Canada (23 February, 2022), '<u>Sixth Edition of Progressing National SDGs Implementation</u>' [online article, accessed June 2022]