



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 sharing resources, a crucial element of which is ODA. However, lack of coherency with other policies, such as on international trade and investment, risk undermining the impact of these contributions.

Finance

Countries in the Global South face an annual funding gap of \$2.5tn to meet the SDGs.¹ To address this, international financing needs to be mutually coherent to avoid different policies and practices undermining each other. For example, according to one analysis, in 2015 African countries lost \$118bn through capital flight, profit repatriation by multinational corporations, debt interest, and principal payments undermining the potential impact of aid, loan and investments.²

The UK should be lauded for meeting its commitment to spend 0.7% of GNI on ODA since 2013 (**Goal 17.2**). However, there remain concerns about trends that suggest the overall use of such financing has moved away from its primary objective of poverty reduction, and is not fully transparent or accountable when spent in other departments beyond DFID. These concerns and financing for development in general is discussed in more detail under Goal 1 (no poverty).

The UK was recently ranked tenth of 27 donors for its other finance and investment policies (**Goal 17.3** and **Goal 17.5**), receiving a low score on financial secrecy due to policies in the Overseas Territories and Crown Dependencies (see Goal 16).³ In addition, UK Foreign Direct Investment in LDCs fell by 29.5% from 2014-15.⁴ Recent pledges to generate £8bn more government and private sector investment in Africa

1. https://unctad.org/en/PublicationsLibrary/wir2014_en.pdf 2. https://www.globaljustice.org.uk/sites/default/files/files/resources/ honest accounts 2017 web final undated ndf

honest_accounts_2017_web_final_updated.pdf
3. https://www.cgdev.org/commitment-development-index-2018
4. http://developmentmonitor.org.uk/2018/06/12/uk-investment-in-the-worlds-poorest-countries-has-fallen-30/

show willingness to narrow this gap, but this should not unduly promote the interests of UK actors above sustainable development.⁵

In order to maximise domestic resource mobilisation in the Global South, the UK has committed to doing more on supporting tax systems, through initiatives such as the ATI (**Goal 17.1**). However, more could be done to address tax dodging, and to proactively support international systems to reduce tax competition and profit shifting (discussed further under **Goal 1** and **Goal 10**).



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.

Global indicators on debt are worsening and urgent action is needed to make lending and borrowing more transparent and responsible. Of the 68 countries assessed by the IMF, 32 were in debt distress or at high risk in December 2018, up from 15 in 2013.7 Government external debt service as a percentage of exports of goods and services for low- and lower to middle-income countries has increased from 3.4% in 2012 to 6.5% in 2016, putting delivery of public services and achievement of the SDGs at risk.8 The IMF has

8. Calculated by Jubilee Debt Campaign from World Bank, from the World Development Indicators database.

^{5.} https://www.thirdsector.co.uk/changes-development-aid-spending-must-not-cost-poorest-says-bond/policy-and-politics/article/1491286 6. https://www.addistaxinitiative.net/

^{7.} https://jubileedebt.org.uk/wp/wp-content/uploads/2019/01/Debt-policy-update-January-2019.pdf



responded to new debt crises by lending more money, which incentivises previous lenders to keep acting recklessly.

Around 45% of international government debt contracts are owed under English law, as well as 90% of publicly available African government debt contracts, and UK companies continue to contribute to hidden debts through secret loans in countries such as Mozambique, Republic of the Congo and Chad.9 The UK government has a role in ensuring that loans given under UK law, or by British-based banks, are transparent and that vulture funds cannot seek profits out of debt crises through UK courts.

To achieve Goal 17 Targets on finance, the UK government should:

- Ensure all UK policies and practices in investment, tax and debt sustainability are coherent and contribute to sustainable development. Review the impact of tax dodging by UK-registered entities. Improve Global South capacity for tax and other revenue collection. Support reform of the international system to reduce tax competition and tax avoidance (see Goal 1, Goal 10 and Goal 16 for more on domestic and international tax).
- Work with the G20 to obtain a strong commitment to publicly disclose details of loans to governments. Enact legislation to require loans to governments given under UK law to be publicly disclosed.
- Work with the IMF to set clearer guidelines on when it will require debt restructurings as part of any bailout loans it gives, to avoid bailing out reckless lenders.

Capacity-building



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

Many UK government, INGO, trade union, private sector and other programmes contribute to sharing skills, information and resources with Southern countries, institutions and communities. The commitment in DFID's Civil Society Partnership Review to contribute to building a diverse,

9. https://jubileedebt.org.uk/blog/hidden-debts-contribute-crisis-congo; https://jubileedebt.org.uk/blog/chad-at-high-risk-of-another-debt-default-after-restructuring

resilient and effective civil society and advise the UK to expand its support for capacity-building across its portfolio in line with the strategies of local organisations is welcomed. ¹⁰ This should focus on both service delivery and participation and actively involve key left behind groups (see chapter on "Leave No One Behind").

To achieve the Goal 17 Target on capacity-building, the UK government should:

 Deliver commitments made in DFID's Disability Strategy and Civil Society Partnership Review on building the capacity of civil society. Emphasise the inclusion and participation of key left behind groups (see chapter on "Leave No One Behind").

Trade



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 the Global South. However, as currently configured they 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 to State Dispute Settlement (ISDS) mechanism is included in a deal, because 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 (see more on trade in chapters on Goal 8 and Goal 10).11

10. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/565368/Civil-Society-Partnership-Review-3Nov2016.pdf

11. https://www.iisd.org/library/bilateral-investment-treaties-and-



Aspects of the emerging post-Brexit UK trade and development policy are to be welcomed, in particular the commitment to offer LDCs continuity in preferential market access as the UK leaves the EU and to participate in international work to address the gendered impacts of trade. However, the level of ambition remains low and there is a lack of detailed policy proposals. It is not clear that UK trade and investment policy will be coherent with its commitments under the SDGs. The UK's work at the WTO has tended not to advance the principles or commitments of the Doha Development Round.¹²

According to an International Trade Committee report in November 2018, the UK will be looking to roll over existing Economic Partnership Arrangements with "developing" countries. We believe the UK should rethink Economic Partnership Arrangements and develop a new approach that supports inclusive and sustainable economic growth and prospects for productive employment, and addresses gendered disparities (see **Goal 8**). Finally, it is of vital importance that relevant work by different UK government departments on trade is centrally coordinated and coherent with the goals of sustainable development.

To achieve Goal 17 Targets on trade, the UK government should:

- Develop proper mechanisms for transparency in and scrutiny of trade negotiations and agreements. Ensure UK trade policy is coherent with its commitments under the SDGs, human rights, tackling climate change and ensuring there are no other negative impacts on the Global South.
- Exclude ISDS mechanisms from all future trade and investment agreements.
- Design a preferential market access scheme offering duty-free, quota-free market access to import from economically vulnerable countries, including but not limited to LDCs. Make regional trade cooperation and integration the central aim of such a scheme.
- Use its position as an independent member to push for a fundamental rethink of the purpose and powers of the WTO.

Systemic issues: i) Policy and institutional coherence



Enhance policy coherence for sustainable development.

The UK government has for many years officially recognised the importance of policy coherence across government in achieving development outcomes, but specific actions to achieve it for sustainable development remain unclear. In 2017, most of the 65 VNRs presented at the HLPF admitted that enhancing policy coherence is one of the most difficult challenges to implementing the SDGs. ¹⁴ In practice, it involves adjusting structures and decision-making processes to integrate SDGs into the mandate of existing institutions, necessitating an administrative culture that promotes cross-sector collaboration and global action.

Throughout this report, specific policy incoherencies have been highlighted, such as the UK government's continued subsidisation of fossil fuels to the tune of billions of pounds while acknowledging the necessity for the Global South to move to greener models of energy production (see **Goal 7** and **Goal 13**).

In order to minimise incoherencies such as this, policy coordination and integration across different departments in relation to the SDGs is indispensable. The fact that overall policy oversight for the SDGs remains a DFID responsibility makes this hard to achieve. Lessons can be learnt from devolved government approaches, such as in Scotland, where the National Performance Framework has been aligned to the SDGs. ¹⁵ By doing this, all areas of government must report on outcomes linked to the SDGs, making policy incoherencies much easier to identify.

The OECD's Framework for Policy Coherence for Sustainable Development (PCSD) identifies eight key building blocks on which countries need to take action, if they want to ensure coherent policies for the SDGs. The UK government scores low in all eight elements using the suggested OECD indicators. Political commitment – arguably the catalyst for progress on meaningful PCSD – remains particularly low. Different ministries lack an agreed definition of PCSD in relation to the SDGs and there is no central oversight body that is mandated to promote this throughout the rest of government. Without strong and maintained leadership from the top, the government is unlikely to achieve the cross-

development-policy-making; https://books.thecommonwealth.org/integrating-sustainable-development-international-investment-agreements-hardback

^{12.} https://www.wto.org/english/tratop_e/dda_e/dda_e.htm 13. https://publications.parliament.uk/pa/cm201719/cmselect/cmintrade/667/667.pdf

^{14.} https://sustainabledevelopment.un.org/content/documents/17109Synthesis_Report_VNRs_2017.pdf 15. https://nationalperformance.gov.scot/

^{16.} https://read.oecd-ilibrary.org/development/policy-coherence-for-sustainable-development-2018/eight-building-blocks-for-coherent-implementation-of-the-sdgs_9789264301061-5-en#page3

^{17.} https://read.oecd-ilibrary.org/development/policy-coherence-for-sustainable-development-2018/tracking-progress-in-policy-coherence-for-sustainable-development_9789264301061-7-en#page4



government working and policy coherence that the Goals are designed to produce.

The OECD defines PCSD as an approach and policy tool to integrate the economic, social, environmental and governance dimensions of sustainable development at all stages of domestic and international policy making. Using this definition, it is therefore also necessary for the government to consider the links between all policy areas, not only of those which perform well for sustainable development outcomes. In other words, the UK government must not only look at synergies (the interaction of two or more forces so that their combined effect is greater than the sum of their individual effects), but also trade-offs (for example, short-term economic gain pit against long-term environmental loss) and spillovers (secondary effects that follow from a primary effect) across all areas of government. A screening tool for assessing these issues in all new and existing policies across government is therefore necessary.

To achieve Goal 17 Targets on policy coherence, the UK government should:

- Develop a suite of screening tools and mechanisms to be used by all government departments, especially when developing Single Department Plans, which consider trade-offs and synergies between the policies in question and other sustainable development outcomes. In particular, these should look at transboundary and transgenerational effects.
- Develop a systematic information exchange mechanism that improves both vertical and horizontal policy coordination across and within different levels of government, including the devolved nations.
- Develop a monitoring and reporting system that allows the government to regularly report on Target 17.14. Include indicators for assessing the institutional mechanisms for coherence and screening of domestic and international policies that could adversely affect sustainable development in other countries.

Systemic issues: ii) Multi-stakeholder partnerships



Target 17.17:

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. The UK government should focus greater attention on expanding its engagement with civil society in the UK and around the world, especially through Embassies and DFID Country Offices.

DFID's 2016 Civil Society Partnership Review made a range of important commitments, including to build capacity for engaging with decision makers, engaging on policy in the UK and through DFID country offices and enhancing "beneficiary feedback." However, some promises, for example on localisation of development, have fallen down the agenda compared with priorities around UK Aid in the National Interest. SDG delivery hinges on creating deeper relationships with civil society in the Global South, especially those representing women and left behind and marginalised communities.

The UK is home to some of the most experienced and innovative international development, humanitarian and peacebuilding organisations contributing to SDG delivery, with strengths that should be invested in and promoted. Development platforms, including Bond, Scotland's International Development Alliance, Hub Cymru Africa and the Coalition of Aid and Development Agencies within Northern Ireland also play a vital role in coordinating and building the capacity of the sector. While many of the goals in the UK Civil Society Strategy are laudable, the government must revise the Lobbying Act 2014 to ensure proper accountability for its international work. The Act's rules do not currently get the balance right between preventing undue influence at elections and supporting normal and legitimate campaigning.

Private sector partnerships and leveraging private finance to accelerate development progress have received increasing focus since the SDGs came into force. Though in principle the private sector plays a vital role in helping achieve the SDGs, there is currently limited evidence of the effectiveness of the UK's current approach, especially in promoting sustainable and equitable economic growth, the delivery of social services and work in lower income, fragile and conflict affected states (see, for example, **Goal 3** and **Goal**

^{18.} https://www.gov.uk/government/publications/dfid-civil-society-partnership-review

^{19.} https://www.gov.uk/government/publications/civil-society-strategy-building-a-future-that-works-for-everyone

^{20.} https://www.bond.org.uk/sites/default/files/resource-documents/ukan_state_of_uk_aid_report_2017.pdf



8). Despite this, the UK government has put lots of political capital into approaches such as "blended financing" or using public funds to mobilise investment by the UK private and financial sector.²¹ Both the ICAI and the IDC have recently raised concerns about DFID's work with business and its principal private sector investment instrument, the CDC Group.²² While multi-stakeholder programming that engages with and leverages the private sector can be highly effective in dealing with complex development problems, this requires trust based partnerships, transparent and accountable institutional frameworks, an adaptive learning approach and for local civil society organisations to have an equal place at the table.

To achieve Goal 17 Targets on multi-stakeholder partnerships, the UK government should:

- Proactively support international civil society around the world and in the UK. Collaborate on SDG implementation and advocacy. Reform the Lobbying Act so it enables greater civil society scrutiny and input into the UK's international work.
- Review the UK's approach to private sector partnerships to ensure and protect development effectiveness, value for money and the "Leave No One Behind" principle. Pursue other approaches where these are likely to be more effective, such as mobilising domestic resources to finance propoor and gender sensitive public services.

Systemic issues: iii) Data, monitoring and accountability



Target 17.8:

By 2020, enhance capacity-building support to developing countries, including for LDCs and SIDS, to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts.

Tracking progress on the SDGs and "Leave No One Behind" at the national and global level will require significant investment in the collection and use of high-quality, timely, disaggregated data. However, only 56 of the 102 countries

 $21. \ https://www.bond.org.uk/news/2018/10/mordaunts-vision-for-aid-more-spending-on-private-investment$

22. https://icai.independent.gov.uk/report/business-in-development/; https://www.bond.org.uk/news/2018/07/dfids-economic-strategy-must-promote-growth-not-increase-inequality; https://publications.parliament.uk/pa/cm201617/cmselect/cmintdev/920/920.pdf

with statistical plans have secured adequate financing to implement them.²³ Over the last three years, the UK has championed this agenda in its own work and internationally. In 2018, it was the second largest bilateral funder to statistics, including work to improve and modernise institutional and technical capacity at the national level.²⁴ For example, the UK Office for National Statistics directly supports adviser posts in Ghana, Rwanda, Kenya and Ethiopia. The UK government is well placed to maximise this effort by leveraging additional contributions from others.

The UK has also played a role in advancing disaggregated development data, especially for people with disabilities, and the use of comparable and tested tools, such as the Washington Group Question Sets. ²⁵ In 2017, it launched its own Data Disaggregation Action Plan and supported the Inclusive Data Charter. ²⁶ The UK's efforts to advance "Leave No One Behind" through data and evidence are discussed in more detail in the chapter on "Leave No One Behind". Given that 17.18 is to be achieved by 2020, a stronger international commitment towards data disaggregation is essential in 2019.

To achieve Goal 17 Targets on data, monitoring and accountability, the UK government should:

- Continue and expand its financial and technical support for data, evidence and statistics. Support participation of marginalised groups and civil society in oversight of SDG delivery.
- Continue to play a consistent and systematic role in advocating for inclusive data and data disaggregation, in line with its Data Disaggregation Action Plan and the Inclusive Data Charter and in line with its broader commitments on "Leave No One Behind." For example, use the UK's influence to advocate for further disaggregation by ethnicity, language and religion.

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

Bond is the UK network for organisations working in international development. Bond.org.uk

23. http://devinit.org/post/development-cooperation-improved-data 24. http://www.paris21.org/press2018

25. http://www.washingtongroup-disability.com/washington-group-question-sets/short-set-of-disability-questions/

26. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/582315/Data-disaggregation-action-plan-Jan-2017.pdf; http://www.data4sdgs.org/sites/default/files/2018-08/IDC_onepager_Final.pdf