EDA Reflection

Time for Strong Partnerships for the SDGs

November 2018

The Sustainable Development Goals (SDGs) contained in the 2030 Agenda for Sustainable Development launched in 2015 set out a bold and aspirational agenda which will not be easy to achieve. The progress reports on implementation to date from the UN Department of Economic and Social Affairs and others have not been particularly encouraging. The current slow pace of progress and the major obstacles to it indicate that partnerships will need to be unprecedented in scale and reach and built quickly if the SDGs are to succeed.

It was always clear that an agenda with the breadth and depth of the SDGs could not be achieved by any single set of actors. Major challenges to progress, such as the cumulative impact of climate change and displacement forced by conflict are also well-known. Reaching the Goals and their targets is therefore going to require global solidarity and national and local action. It will need the private sector fully on board. And it will need engaged communities and whole societies which will hold governments to account for the commitments they made in 2015 to drive the 2030 Agenda forward.

Attracting the Financing for the SDGs

Money is never everything – but it counts. The UN Conference on Trade and Development estimated in 2014 that there was a funding gap of around US$2.5 trillion per annum in SDG-relevant sectors in developing countries. That gap cannot be filled from public funds alone.

The Addis Ababa Action Agenda, agreed at the Third International Conference on Financing for Development in 2015, foresaw the scale of the challenge. It called for the mobilisation of all sources of finance – public and private, as well as domestic and international – for development.

Many developing countries have already mainstreamed the SDGs into their national plans, policies and budgets. But for many there is a sizeable funding gap. Greatly enhanced partnerships could help fill those gaps in the following ways:

1) Supporting increased domestic resource mobilisation by governments

Economies need to grow, and governments need to be able to leverage resources via taxation from that growth. Attracting quality investment to support that growth requires good policy and regulatory settings and the rule of law. Capacity needs to be built to deliver that, and for designing appropriate taxation assessment and collection systems. International development partners should be focusing on investment in building such capacities.

A good example is the joint Organisation for Economic Co-operation and Development-UN Development Programme ‘Tax Inspectors Without Borders’ programme, which has supported countries to assess and collect the taxes they are due from international companies. Other partners have long supported strengthening anti-corruption mechanisms, including investigation, prosecution, and judicial capacity and building capacities within public administration. Such support is catalytic and will have long term, sustainable impact.

2) Leveraging from a strong enabling environment

International public and private finance can be attracted where the enabling environment is conducive to that. Investment at scale in infrastructure of all kinds is badly needed in many parts of the world, as is investment in the agriculture, manufacturing and service sectors which can be job- and livelihood-intensive. Where governments themselves are seeking infrastructure finance, they need the capacity to design quality projects. Debt taken on should be sustainable.

Blended finance presents new options: a paper launched at the World Economic Forum’s Annual Meeting in Davos in January 2018 by the Blended Finance Taskforce suggested that it could mobilise US$1 trillion per annum for SDG-related investments. Where public-private partnerships are being designed, the rules must be clear to each side. Where investment is made in productive capacities, the infrastructure to support that and
a sound legal, policy and regulatory framework are essential. Where these are in place, more quality investment can be expected to flow into developing economies.

**Creating Multiple Types of Partnerships**

Within countries, partnerships of many kinds are called for. These include:

1) **Partnerships between all levels of government**

Often capabilities and powers directly related to implementation of the SDGs will be at the subnational level. Governments must inspire with clear national strategies, but these will need to be built on at the subnational level if they are to get traction. States, provinces, municipalities and districts can all incorporate the SDGs into their planning and budgeting.

2) **Partnerships across ministries and other government entities**

The SDGs require action across sectors. Departments or ministries are not always natural collaborators. There needs to be cooperation driven at a senior level within governments at all levels to ensure that the economic, social and environmental aspects of the SDGs are addressed holistically.

If agriculture drives deforestation, environmental goals and targets cannot be met. If industry pollutes air and water, the health goals cannot be met. If the education sector is underperforming, it cannot produce the workforce the economy needs and the informed citizens needed to participate in democratic processes. If the rule of law and government capacity are weak, they will not be able to mobilise the public and private enthusiasm for the actions necessary to achieve the SDGs.

3) **Partnerships between state and society**

The SDGs are a profoundly democratic agenda. They were arrived at after extensive global outreach, consultation and negotiation. Civil society nationally and globally engaged whole heartedly. Citizens did not expect that process to stop when global leaders approved the 2030 Agenda in 2015. Rather they expect to stay engaged in the formulation of national and local strategies and implementation, and they expect to be able to monitor and report on progress and thereby hold governments accountable. This level of citizen engagement is critical for the SDGs to be not just mere words in an international declaration, but rather tools for driving sustainable development forward in every community and nation on earth.

**The Role of International Partners**

Without doubt, international partnerships among governments, multilateral and regional institutions, foundations and non-governmental organisations (NGOs) remain essential. While developing countries’ own resources and private investment will provide the bulk of financing for development, solidarity, goodwill, understanding and investment from international partners are needed.

Recent analysis by the United Kingdom’s Overseas Development Institute suggests that projected economic growth alone will only halve the number of people living in extreme poverty worldwide by 2030. International development assistance will be needed to lift the remaining 400 million people out of extreme poverty, and much must be targeted directly into health, education and social protection in 48 under-resourced countries characterised as low income, developing and fragile.

To support investment at that scale, developed countries should be meeting the internationally agreed target of providing 0.7% of their Gross National Income (GNI) for development assistance. Their support should also be strategic in building national and local capacity and be guided by the development strategies and plans of the countries alongside which they are working. National ownership is critical to success.

The UN agencies and the international and regional financial institutions are strong partners in advocacy for development, in growing capabilities, and in mobilising finance. In September 2018 in New York, the UN Secretary-General convened a Sustainable Development Finance Summit and launched a strategy for financing the SDGs.

Foundations and NGOs also largely subscribe to the sustainable development agenda and look to align what they do with it at whichever level they work – from the mega-philanthropy of the Gates Foundation to the smallest NGO supporting a local community.

South-South partnerships for development will also continue to grow broadly across trade and investment and grants and loan finance.

**Conclusion**

There can be no doubt that our world has the financial resources and the technology and know how to achieve the SDGs. There has also been considerable goodwill for them from the time of their development, negotiation and launch. But the world is now three years into a fifteen-year long implementation timeframe. There is too little progress so far, and there are many barriers to success – not least protracted wars and conflicts and the impact of major disasters – including climate-related ones.

There is no time to waste. Implementation of the SDGs needs concerted advocacy and investment. There is no Plan B for people and the planet. Realising the SDGs is the best chance we have of achieving a sustainable, prosperous and peaceful future for all. We can only get there through strong and enduring partnerships at all levels. Across the public, non-governmental and private sectors, commitments must be made to being part of the action and working collaboratively. At the global level, diplomacy has a big role to play in maintaining the visibility of, and support for, the Agenda.