3 The United Kingdom's financing for development

This chapter looks at the United Kingdom's official development assistance (ODA) figures, including the overall level and components of aid, the level of bilateral and multilateral aid, and geographic and sector allocations of bilateral aid. In line with commitments in the Addis Ababa Action Agenda and the emerging concept of total official support for sustainable development, it also examines the United Kingdom's efforts to mobilise finance for sustainable development other than ODA.

The chapter begins with a review of the United Kingdom's ODA volumes and its efforts to meet domestic and international ODA targets. It then discusses the extent to which the United Kingdom allocates bilateral aid according to its statement of intent and international commitments, and examines the effectiveness of its use of multilateral aid channels. The chapter concludes with a review of financing for sustainable development, looking at how the United Kingdom promotes and catalyses development finance other than ODA.

In brief

The United Kingdom supports fragile countries and multilateral organisations through its ODA and mobilises additional finance for sustainable development

The United Kingdom has consistently provided 0.7% of its Gross National Income (GNI) as ODA since 2013, a commitment which was enshrined in law in 2015. Delivered under intense public scrutiny, this significant financial contribution to international development – USD 19.4 billion in 2018 – is to be commended. The commitment has also created strong incentives for the United Kingdom to advocate for a broader definition of ODA, and has placed pressure on disbursements.

While the United Kingdom is committed to transparency, the quality of ODA reporting could improve. In addition, the United Kingdom does not report on other official flows, apart from CDC Group (the United Kingdom's development finance institution). Incomplete reporting represents a missed opportunity to showcase the extent of the United Kingdom's contribution to sustainable development.

Bilateral allocations reflect the United Kingdom's focus on countries most in need. In providing 0.23% of its GNI to Least Developed Countries (LDCs), the United Kingdom is one of only six members of the Development Assistance Committee (DAC) that have exceeded the international target of 0.2% GNI. Allocations to fragile contexts remain high but have dropped over the past year. Bilateral funding is focused on health, governance – including conflict, peace and security – and humanitarian aid. The United Kingdom's bilateral portfolio is starting to reflect a renewed commitment to climate change, with 25% of allocable bilateral aid addressing climate change mitigation or adaptation.

The United Kingdom is a strong supporter of the multilateral system, and provided an average of USD 10.2 billion to multilateral organisations in 2017-18. However, funding to the United Nations (UN) system could be more consistent with its discourse on UN reform. It is not yet clear how the United Kingdom's substantial funding to the European Union (EU), which represented 26% of its ODA to multilateral agencies in 2018, will be allocated in the future.

The United Kingdom champions the implementation of the Addis Ababa Action Agenda through its work on domestic resource mobilisation and efforts to further engage the private sector in sustainable development, including the City of London. The Department for International Development (DFID) has designed and mobilised innovative funding instruments based on a robust analysis of their respective costs and benefits in an effort to leverage public and private resources. Since shifting towards more investments in fragile contexts, CDC Group has become a catalytic financial instrument for meeting the United Kingdom's ambitious inclusive prosperity agenda. There is scope to better communicate the United Kingdom's full offer to the private sector and to formally build a continuum of support, ranging from early technical assistance to investment at scale.

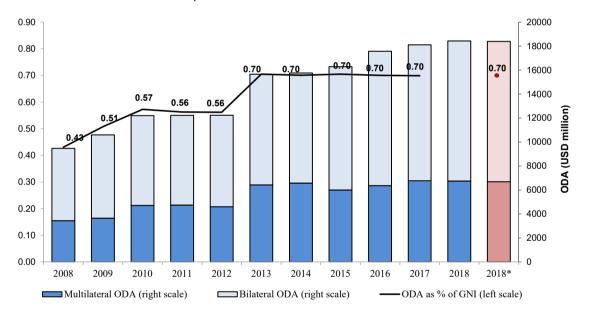
Overall ODA volume

The third-largest bilateral donor, the United Kingdom is one of the few DAC members to meet international ODA commitments

The United Kingdom is unique in having legislation ensuring 0.7% of its GNI is spent as ODA. In 2013, it became the first G7 country to reach this UN target and in 2015 its parliament enshrined the target in law. Under intense public scrutiny, and with cross-party support over the review period, the United Kingdom is one of only five DAC members that consistently delivers against the target (Figure 3.1). In 2018, the United Kingdom provided 0.23% of GNI as ODA to LDCs, making it one of the six DAC members to have surpassed the Istanbul target of 0.2% of GNI to LDCs.

Finally, the United Kingdom is the third-largest donor country in volume, having disbursed USD 19.4 billion in total ODA in 2018, an increase of 1.8% on 2017 levels. This significant financial contribution to international development is to be commended.

Figure 3.1. The United Kingdom has consistently reached the ODA/GNI target



ODA net disbursements at constant 2017 prices and as a share of GNI

Note: * Starting in 2018, ODA as a percentage of GNI is calculated on a grant equivalent basis. Source: OECD (2020_[11]), *International Development Statistics (online database)*, <u>www.oecd.org/dac/stats/idsonline.htm</u>.

StatLink ms https://doi.org/10.1787/888934178449

Ensuring that ODA reaches 0.7% of GNI has required planning and has helped the United Kingdom to identify all activities across government that can be reported as ODA. It has also led the United Kingdom to advocate within the DAC for broader eligibility criteria for ODA activities. Some proposed changes were adopted by consensus but some DAC members and external stakeholders contend that broadening criteria strains the credibility of ODA. The political choice to achieve exactly 0.7% ODA/GNI every year, combined with a calendar year for ODA reporting that is not aligned with the United Kingdom (UK) budget year, has put pressure on the DFID as a spender of last resort. Such pressure affects the predictability of DFID's support, with uplifts in humanitarian spending and contributions to global funds absorbing underspends

towards the end of the year. The United Kingdom could learn from the experience of other DAC members, such as Denmark and Sweden, who have respectively committed to spending 0.7% and 1.0% of GNI as ODA, but use multi-year averages or national GNI estimates to report on progress against commitments.

The United Kingdom is improving the quality and timeliness of its ODA reporting

The quality of ODA reporting varies across departments, with DFID leading on transparency. With no single department responsible for the quality of overall reporting, the United Kingdom's reporting to the OECD Credit Reporting System has been rated as "fair" because of late data submission as well as poor quality of data (OECD, 2019_[2]). Predictability is good for individual grants (Chapter 5), but there is limited reporting on forward spending for the overall portfolio (OECD/UNDP, 2019_[3]). The quality of reporting is improving in other spending departments, helped by technical support from DFID. To be cost-effective and maintain high quality reporting, this support may need to become a long-term offer from DFID, as reporting standards are not static and staff turnover will necessitate constant re-training.

A large majority of contracts are awarded to suppliers based in the United Kingdom

With 100% of its portfolio disbursed as grants, the United Kingdom complies with the DAC recommendations on the terms and conditions on aid. In terms of the DAC recommendation on untied aid, the United Kingdom's ODA is reported as 100% untied but 82% of contracts were awarded to companies based in the United Kingdom (for a total of USD 2.3 billion in 2016) (OECD, 2018_[4]). Continued efforts to diversify suppliers¹, would support inclusive prosperity and help build local capacities, recognising that this may require restricting some tenders and reporting such procurement as partially tied (Chapter 4).

Bilateral ODA allocations

Spending targets inform bilateral allocations

The 2015 Aid Strategy as well as spending targets in Single Departmental Plans broadly define the United Kingdom's bilateral priorities (Chapter 2) and each department is responsible for setting its geographic and thematic priorities within the parameters of the Aid Strategy (Chapter 4). In particular, DFID's Single Departmental Plans include spending targets that respond to policy commitments. Frequent changes of leadership have led to new pledges and commitments being included in what have become yearly plans without any targets being abolished. This has resulted in an accumulation of priorities and commitments. The risks inherent in this approach have been raised in all DAC peer reviews since 2006 and, while much diminished over the years, spending targets continue to affect the United Kingdom's ability to respond to country contexts. DFID has already taken steps to mitigate these risks, including by designing Centrally Managed Programmes to respond to certain spending targets. The current review of all current pledges and commitments is a positive step towards rationalisation.

The United Kingdom is a key partner in the poorest and most fragile countries

In line with the Aid Strategy, DFID has consistently allocated at least 50% of its bilateral budget to fragile contexts over recent years,² though gross bilateral ODA to fragile states fell by 11% between 2017 and 2018³ (Chapter 7). In line with its overall focus on poverty reduction, the United Kingdom provided 25.8% of gross bilateral ODA to LDCs in 2018. The share of ODA going to middle-income countries has remained stable over the last five years, with 32% of gross bilateral ODA being disbursed in lower middle-income countries and 12% in upper middle-income countries in 2018 (Annex B).

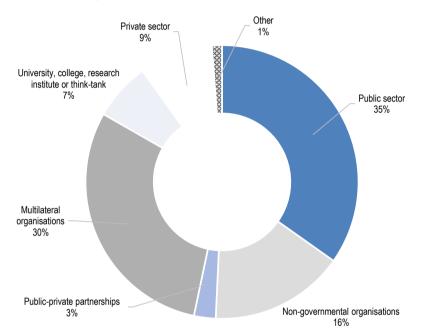
However, the United Kingdom's top recipient countries have been receiving an ever lower share of bilateral aid in recent years: in 2013-14, the top 20 recipients received 47% of bilateral ODA; in 2017-18, they only

received 40%, below the DAC average of 42% (Annex B – Table 4). Given the United Kingdom's size and expertise, its ability to support and influence reform in partner countries is not yet at risk, but this is something to carefully monitor. In 2017-18, 44.7% of the UK bilateral ODA was country programmable aid, compared to a DAC country average of 48%.

Most of the United Kingdom's bilateral ODA is channelled through the public sector

In 2018, the United Kingdom channelled 35% of gross bilateral ODA though the public sector, a continued increase since 2016 (27.5%). Multilateral organisations were the second main channel of delivery (30%).

Figure 3.2. Most of the United Kingdom's bilateral ODA is channelled through the public sector



Bilateral ODA by channel of delivery 2018 - Gross disbursements, per cent

Source: OECD (2020[1]), International Development Statistics (online database), www.oecd.org/dac/stats/idsonline.htm.

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The United Kingdom increasingly invests in health, governance and productive sectors

The United Kingdom focuses much of its bilateral ODA on social infrastructure and services, and committed USD 3.2 billion of bilateral aid to this sector in 2017-18 (45% of bilateral ODA).⁴ Within social infrastructure and services, health as well as governance and civil society are top priorities, with funding commitments in these areas increasing since 2015:

Health commitments rose from 9% of bilateral ODA in 2015-16 to 19% in 2017-18 (Annex B, Table B.5),⁵ with most of the increase managed by the Department of Health and Social Care under the Fleming Fund⁶ and the National Institute for Health Research Global Health Research programme.⁷ In response to criticism that funding was mainly benefitting research institutions based in the United Kingdom, direct funding to local researchers has increased.

 Funding commitments to governance increased from 12% to 16%. Most of the increase in the governance sector was targeted at conflict, peace, and security and was channelled through the Foreign and Commonwealth Office (FCO), reflecting the priorities of the National Security Strategy and the Aid Strategy.

Humanitarian aid was the third largest sector of bilateral funding in 2018, comprising 9.8% of bilateral aid committed over 2017-18 (14% of bilateral ODA disbursements in 2018). This nonetheless represents a sharp decrease in 2018, following three years of rapid growth (Chapter 7).

In line with the United Kingdom's prosperity agenda, the share of aid allocated to productive sectors has also increased, more than doubling to 11% in 2017-18 compared to 5% in 2015-16.

Almost half of the United Kingdom's bilateral ODA supports gender equality

The United Kingdom's commitment to gender equality is reflected in its ODA allocations and across the portfolio. In 2017-18, the United Kingdom committed 45% of its bilateral allocable aid to programmes supporting gender equality and women's rights, up from 37% in 2015-16 but below the level (48%) reported in the last peer review (OECD, 2014_[5]). Programmes supporting gender equality and women's rights cover all sectors of the portfolio, with a particular focus on population and reproductive health, water and sanitation, education as well as economic infrastructure and services. However, the vast majority of these projects had gender equality as a significant objective, while only 2% of bilateral allocable aid targeted gender as a principal objective in 2017-18.⁸

Attention to climate change and the environment is starting to be reflected in bilateral programmes

Steady increases in ODA allocations for the environment and the fight against climate change since 2015 are helping the United Kingdom to slowly catch up with the DAC average. There is, however, still work to be done if the United Kingdom is to lead on climate action and align all its ODA with the Paris Agreement. Indeed, in 2017-18, USD 1.8 billion of bilateral aid commitments addressed environmental sustainability and USD 1.7 billion addressed climate change mitigation or adaptation. This represents 27% and 25% of bilateral allocable aid respectively (Annex B, Table 5), compared to a DAC average of 33% and 25%. The climate change portfolio is evolving, with more commitments to mitigation programmes. Programmes that include climate change mitigation and adaptation are mainly focused on economic infrastructure and services, production and water and sanitation (OECD, 2018_[6]).

Multilateral ODA allocations

The United Kingdom is a strong supporter of the multilateral system.

In 2017-18, the United Kingdom (UK) provided an average of USD 10.2 billion to multilateral organisations through a combination of core funding (40% of total ODA) and earmarked funding (20% of total ODA).⁹ Economic development is the main focus of multilateral allocations, driven by core contributions to the World Bank (which received 36% of total UK ODA to multilateral agencies in 2018)¹⁰ and Regional Development Banks. Contributions to the health sector rank second, in line with the United Kingdom's efforts to promote global health. For instance, the United Kingdom is the largest donor to Gavi, the Vaccine Alliance and the third-largest donor to the Global Fund to Fight AIDS, Tuberculosis and Malaria.

Allocations to the multilateral system and decisions on the balance of core and earmarked funding are based on performance: roughly 90% of core funding from DFID (which manages 84% of the United Kingdom's multilateral contributions) currently goes to organisations that were ranked as top performers in

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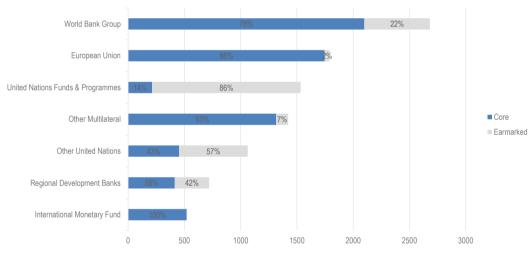
the 2016 Multilateral Development Review (DFID, 2016_[7]). The review assessed the organisational performance of the United Kingdom's multilateral partners and their alignment with UK objectives.

Funding to the UN system could be more consistent with the United Kingdom's commitment to UN development system reform

There is a slight disconnect between the United Kingdom's commitment at a central level to UN development system reform (Chapter 2) and the composition of its funding. In particular, 86% of the United Kingdom's disbursements to UN funds and programmes were earmarked in 2017-18 (Figure 3.2). Having committed to the collective target of 30% core funding set out in the UN Funding Compact (United Nations, 2019_[8]), the United Kingdom could consider reviewing the balance between its core and earmarked funding. A proportion of core funding to UN agencies is linked to progress on a sub-set of UN reform targets, which partners fear could distort the overall reform agenda (Chapter 5). The majority of earmarked funding is considered good quality by the UN Development System (United Nations MPTF Office and Dag Hammarskjöld Foundation, $2019_{[9]}$), with less than a quarter (22%) of earmarked funding supporting project type interventions (Annex B).

Figure 3.3. Core contributions from the United Kingdom to selected multilateral partners

The United Kingdom's contributions to multilateral organisations in 2017-18 (2017 USD million) and as a share of all multilateral contributions



Note: UN Funds and Programmes refer to the grouping: United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations Population Fund (UNFPA), UN-Habitat, United Nations Children's Fund (UNICEF) and the World Food Programme (WFP).

Source: OECD (2020[1]), International Development Statistics (online database), www.oecd.org/dac/stats/idsonline.htm.

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It is unclear how ODA channelled through the EU will be used in the future

Exiting the EU will have a direct impact on the composition of the United Kingdom's ODA. Contributions to and through the EU represented 9% of the United Kingdom's gross disbursement and 26% of ODA flows to multilateral agencies in 2018. It is estimated that due to rolling commitments, the United Kingdom will still spend between USD 4 and USD 5 billion through the EU over the next five years (SEEK Development, 2020[10]) compared to USD 9 billion over the last five years. Depending on the terms of the exit agreed with the EU, the United Kingdom may still be able to contribute to EU funds and facilities that match its key

priorities.¹¹ At present, it is unclear how the funding released from EU contributions will be reallocated and effectively used.

Financing for sustainable development

The United Kingdom champions implementation of the Addis Ababa Action Agenda

The United Kingdom is a leader in supporting developing countries to raise domestic revenues and disbursed USD 35.7 million¹² in ODA to support domestic revenue mobilisation in 2017-18. Domestically, the United Kingdom has established a capacity building unit within Her Majesty's Revenue and Customs which supports developing countries by seconding long-term resident advisers (e.g. in Pakistan, Ethiopia and Ghana) as well as deploying short-term experts. Support for regional and multilateral actors working in tax and development includes: secondments of experts to the African Tax Administration Forum; sharing of experts within the Tax Inspector Without Borders Initiative; and funding to the OECD, World Bank, International Monetary Fund (IMF) and the Platform for Collaboration on Tax. The United Kingdom uses its influence and engagement to bring on board other partners through the Addis Tax Initiative. In response to an Independent Commission for Aid Impact (ICAI) follow-up review which concluded that DFID's "beyond aid" initiatives on tax could be more systematic,¹³ DFID has expressed a willingness to pursue its leading role but does not see the need to formally plan its influence strategy (ICAI, 2017_[11]).

The United Kingdom is working to reduce the cost of sending remittances home by strengthening the regulatory environment, encouraging the modernisation of payment infrastructure and improving transparency of costs and market competitors. The average cost of sending remittances from the United Kingdom fell slightly from 7.49% of the total amount in 2015 to 6.97% in 2019 (HM Government, 2019_[12]), compared to a global average of 6.82% (World Bank, 2019_[13]).

The United Kingdom is the sixth largest contributor to Aid for Trade in the DAC. In 2017, it committed USD 1.1 billion (17.1% of bilateral allocable aid) to improve developing countries' trade performance and integration into the world economy. The United Kingdom uses its position in the Group of Seven (G7), Group of Twenty (G20), International Monetary Fund (IMF) and the Paris Club to advocate for debt sustainability and transparency.

In addition to supporting private sector development in developing countries through its prosperity agenda, the United Kingdom advocates for private sector investment in those countries. For instance, the 2019 London Initiative that followed on from the Jordan Compact actively promotes private sector investment in Jordan to unlock growth and job creation (DFID; DIT, 2019[14]). During the first Africa Investors Summit in 2020, the United Kingdom announced GBP 1.5 billion (USD 1.9 billion) worth of initiatives to boost trade and investment, create jobs and mobilise private investments with no specified timeframe, a quarter of which will come from the ODA budget.

Box 3.1. CDC Group has become a catalytic financial instrument to meet the United Kingdom's ambitious inclusive prosperity agenda

Since shifting towards investing more in lower-income and fragile contexts, CDC Group has become a catalytic financial instrument to meet the United Kingdom's ambitious inclusive prosperity agenda. Following continued capital increases since 2015¹ and a new investment policy in 2017, CDC Group has diversified its investment products to include direct equity and debt; piloted innovative financial instruments; and introduced a new 'Catalyst Portfolio' that invests in riskier markets. Since 2017, new investments are mainly directed towards lower-income and fragile states and focused in sectors with the highest likelihood of creating jobs. As a consequence, CDC Group is now more geographically focused on difficult markets, including fragile and conflict-affected states, than other development finance institutions. However, according to an ICAI performance review, most of the investments are concentrated in large economies and in companies with headquarters in the more prosperous areas of these countries, which is partly contrary to CDC Group's stated objectives to focus on the most difficult markets (ICAI, 2019_[15]). With a financial return target of 3.5% for the growth portfolio and an actual average return of 10.6%, there is scope to engage in riskier investments with a high impact on inclusive growth.

CDC is also improving how it monitors and evaluates its impact on poverty. For instance, it has launched "development impact cases" for all potential investments and recruited development experts. It is also working with other development finance institutions to develop an internationally agreed standard to measure the impacts of investments beyond job creation and tax mobilisation, including through the Joint Impact Model, ² the Global Impact Investing Network³ and the Impact management project. ⁴ Such efforts are to be commended, but will need to be embedded deeply within CDC Group's investment decision making, portfolio management and reporting processes. CDC Group is aware of the risk of setting results expectations that the institution cannot measure. It will also be critical that CDC Group continues to ensure its investments do not crowd out commercial banks, while supporting blended finance to protect the long-term sustainability of financial systems and to enable CDC Group to fund more projects when combined with commercial capital.

Notes: ¹ In 2017 DFID announced a GBP 3.5 billion capital increase over 2017-21 for CDC Group to invest in businesses in Africa and South Asia.

² The Joint Impact Model, to be launched in 2020, will be an open access model for calculating and reporting indirect impacts such as value added and greenhouse gas emissions. The project is a collaboration between the African Development Bank, BIO (Belgium's development finance institution), CDC Group, FinDev Canada, FMO (the Netherlands' development finance institution) and Proparco (France's development finance institution), and the consultancy firm Steward RedQueen.

³ See more on the Global Impact Investing Network at: <u>https://thegiin.org</u>.

- ⁴ See more on the Impact Management Project at: <u>https://impactmanagementproject.com</u>.
- Source: ICAI (2019[15]), CDC's Investments in Low-Income and Fragile States, https://icai.independent.gov.uk/report/cdc.

Continued support to innovative finance could boost both public and private resources for development

DFID has innovative funding instruments to leverage public and private resources for sustainable development. These instruments, designed based on a robust analysis of their respective costs and benefits, include guarantees; disaster assurance; seed funding to multilateral trust funds coming from the ODA budget; and CDC Group. In an effort to leverage private finance, the United Kingdom is working with the City of London and the London Stock Exchange Group to strengthen financial markets in developing countries and to create a global market for impact investment – with the United Kingdom currently being one of the major hubs for impact investments.¹⁴ The "Investing in a Better World" project is an example of

the United Kingdom's efforts to better understand what barriers citizens in the United Kingdom public face when investing their personal savings in companies, funds and projects that contribute to the Sustainable Development Goals (SDGs) and have a positive impact on development (HM Government, 2019[16]).

There is nonetheless scope to: 1) better communicate the United Kingdom's full offer to the private sector; 2) formally build a continuum of support, ranging from early technical assistance to investment at scale; and 3) make sure all relevant instruments can be used across the range of countries in which the United Kingdom wishes to support prosperity, trade and economic growth.

Reporting more flows beyond ODA could reinforce the United Kingdom's global brand

While the requirement to spend 0.7% of GNI as ODA incentivised the United Kingdom to identify, track and report all activities that can be reported as ODA, it is less effective at reporting other spending beyond concessional aid, which is covered by its transparency commitments. On the one hand, the United Kingdom has been participating in the task force designing the new Total Official Support for Sustainable Development metric, which is intended to capture a broader range of development finance. On the other hand, the United Kingdom does not currently report other official flows – such as export finance, non-concessional loans or private sector guarantees. More complete reporting to the OECD by the United Kingdom would be consistent with its commitment to transparency.

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Notes

¹ A Supplier Review in 2017 led to significant reforms including: a Strategic Relationship Management programme to improve collaboration with partners and unlock learning, creativity and innovation across portfolios; measures to open DFID's markets to new supply partners, small businesses and developing country supply partners; and introducing terms and conditions preventing "exclusivity" agreements. A DFID Supplier Portal was launched in July 2019 to increase timely awareness of upcoming opportunities with DFID, whether in the United Kingdom or in-country. DFID's Procurement and Commercial Division is working to diversify the supply chain by taking the lead across the UK government on an improved approach to contracting small and medium enterprises in partner countries. See also Chapter 4.

² DFID's list of fragile states differs from the OECD fragile state grouping. It takes into consideration countries that are not considered fragile in the OECD framework, but that are affected by a crisis, or neighbouring a "high-fragility" state, such as Jordan and Lebanon. For more, see the fragile state indicator description in the DFID methodology note for fragile and conflict-affected states at

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/72238 9/Methodology-Note-Fragile-and-conflict-affected-states-and-regions.pdf.

³ For comparison purposes across the DAC, assessment of engagement in fragile states in DAC peer reviews is based on the OECD Fragility Framework at <u>http://www3.compareyourcountry.org/states-of-fragility/overview/0</u>. Up to 2019, DFID used its own definition and list of fragile contexts to measure its allocations to fragile contexts. See <u>https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/81551</u> 0/Methodology-note-Fragile-and-conflict-affected-states-and-regions.pdf.

⁴ Over 2017-18, the United Kingdom disbursed USD 4.7 billion in 2017 constant prices, representing 40% of bilateral ODA.

⁵ Disbursements in the health sector rose from 8.3% in 2015-16 to 10.7% in 2017-18.

⁶ The Fleming Fund aims to support low and middle-income countries to tackle antimicrobial resistance by improving surveillance and generating relevant data that are shared nationally and globally.

⁷ The research funded through the **National Institute for Health Research's Global Health Research programme** aims to develop and commission new global health research though partnerships; deliver primary benefit to the health and economies of the poorest people living in countries on the DAC list; support their progress towards achieving the SDGs, and strengthen UK and LMIC research capabilities and expertise.

⁸ Significant objective means that gender equality is an important and deliberate objective, but not the principal reason for undertaking the project/programme, often explained as gender equality being mainstreamed in the project/programme.

⁹ DAC peer reviews use the OECD definitions for core and earmarked funding which apply to data reported to the Creditor Reporting system. UN organisations have their own methodology for assessing earmarking – see for example the notes section of the UN Development System 2018 Financing Report. See www.daghammarskjold.se/wp-content/uploads/2019/08/financial-instr-report-2019-interactive-1.pdf.

¹⁰ The United Kingdom is also the largest donor to the International Development Association, as confirmed by its recent pledge of GBP 3.34 million (USD 4.45 billion).

¹¹ Examples include humanitarian relief, security and migration.

¹² In 2017 constant prices.

¹³ A more systematic approach might include, for example, clear strategies and objectives, adequate staffing and systems for monitoring and reporting on its results.

¹⁴ Sweden has developed similar hubs: 1) the Swedish Leadership for Sustainable Development, gathering 20-25 of Sweden's biggest companies to work towards more sustainable business through information sharing, normative dialogue and concrete projects and 2) Swedish Investors for Sustainable Development, which aims to coordinate, stimulate and engage investors in the implementation of the 2030 Agenda and the Addis Ababa Agenda for Action (this network has been replicated by the UN on a global level).

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