



House of Commons
International Development
Committee

**UK implementation of the
Sustainable Development
Goals: Government
Response to the
Committee's First Report
of Session 2016–17**

Fourth Special Report of Session 2016–17

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The International Development Committee

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Fourth Special Report

On 8 June 2016, the International Development Committee published its First Report of Session 2016–17, *UK implementation of the Sustainable Development Goals*, HC 103. On 8 September 2016 the Committee received a memorandum from the Secretary of State for International Development which contains a response to the Report. The memorandum is published as an appendix to the Report.

Appendix: Government response

The UK Government welcomes the opportunity to respond to this timely report from the International Development Select Committee on UK implementation of the Global Goals for Sustainable Development.

The Prime Minister has been clear about the leading role the UK will continue to play in the world as a bold, ambitious and outward-looking nation. Continuing the UK's leading role on global development—and working tirelessly to reform and improve the global development system, so as to deliver value for money on behalf of the world's poorest people and working people in Britain—is a vital part of that.

The UK had a leading role in defining the Sustainable Development Goals and they represent a step change in the way the global community tackle the global challenges of our time: poverty and disease, mass migration, insecurity, conflict and climate change. Addressing these problems at their source will stop them arriving on Britain's doorstep. The UK is a world leader on international development. Helping to end extreme poverty and build a safer, healthier, more prosperous and stable world for all is not only the right thing to do; it is also in the UK's national interest. The UK has set an example globally by being one of few donors to achieve 0.7% ODA/GNI. And the Government is clear that it will work to ensure value for money from this spending. The Government led the international response to the Ebola crisis in Sierra Leone, saving lives and ensuring the disease did not reach the UK. The Department for International Development (DFID) is supporting Syrians in their home region by investing in health, education and jobs to help families stay close to home rather than make the treacherous journey to Europe. DFID is creating jobs in Africa, the Middle East and Asia to tackle the root causes of poverty and migration, as well as building future markets for UK trade.

The UK has influenced the global community to ensure the Goals focus on the issues that matter most: eradicating extreme poverty, finishing the job of the Millennium Development Goals (MDGs), and going further to include critical issues not covered in the MDGs. The UK is particularly proud of its efforts to ensure the Goals contained a commitment to Leave No One Behind, as well as securing robust Goals on gender equality and peace, security and good governance; which ensure the UK meets its responsibilities to the world's poorest people and best serves and protects its own security and interests.

The Government is firmly committed to implementing the Goals both internationally and domestically. DFID has overall responsibility for this issue. Departments across Government have a responsibility for delivering on their existing commitments, including

ones relevant to the Goals. Specifically, DFID, supported by the Cabinet Office, works closely with other government departments to ensure the UK fulfils its obligations and leads on helping other countries implement the Goals.

All of DFID's actions are driven by the principles that underpin the Goals. This is most evident in DFID's programming. For example, the UK has funded education programmes that have supported 11 million children to through school, health programmes that have provided 47 million bed nets to reduce malaria deaths, and water and sanitation programmes that are helping provide 60 million people access to clean water. These actions will directly contribute to Goals 4, 3 and 6. DFID will play its part and ensure that all programmes are vigorously scrutinised and held to account with the highest standards of efficiency, value for money and transparency.

Beyond programming work, the UK actively influences international policy through its membership of the UN Security Council, the North Atlantic Treaty Organization (NATO), G7, G20 and the Commonwealth to assist implementation of the Goals. For example, the UK has worked within the G7 and G20 to gain these groups' support for global measures to improve domestic resource mobilisation. This will better enable developing countries to generate the income needed to support provision of the Goals.

Response to the conclusions and recommendations

The continuing importance of aid

1. The Committee welcomes the International Development (Official Development Assistance) Act 2015 which requires the Government to spend 0.7% of UK GNI on ODA, and recognises that ODA remains an essential part of the financial commitment needed to achieve the SDGs, particularly for LDCs. (Paragraph 22)

Taken with

2. *As a respected leader in the donor community, the UK Government should continue to use its influence to persuade other countries to fulfil—and where possible strengthen—their ODA commitments as outlined in the Addis Ababa Action Agenda and SDG target 17.2. (Paragraph 23)*

Agree. DFID is pleased that the Committee has endorsed the International Development (Official Development Assistance) Act 2015 and the UK's commitment to the 0.7% ODA/Gross National Income (GNI) target which the Prime Minister has recently reaffirmed in her introductory call with the United Nations Secretary-General. The Government welcomes the recognition of ODA being essential for helping countries achieve the Global Goals for Sustainable Development ('Goals'), particularly for Least Developed Countries (LDCs). Ensuring that strong accountability and follow-up mechanisms on ODA commitments are in place is a UK priority. The Government continues to take every opportunity to encourage donors on the importance of making progress towards the 0.7% ODA/GNI target and the United Nations (UN) target to provide 0.15–0.2% ODA/GNI to LDCs. The UK met both of these targets in 2014 and will continue to work towards achieving these targets in the coming years.

The UK is—and will continue to be—fully engaged in international meetings and follow-up on Financing for Development (FFD) by moving forward with implementing the Addis Ababa Action Agenda (AAAA) and encouraging partners to do the same.

Domestic resource mobilisation

3. We welcome the Addis Tax Initiative and the Government's strong commitment to supporting the development of effective tax systems in some of the world's poorest countries. Prioritising assistance to developing countries, particularly Least Developed Countries, in implementing effective tax collection systems will be crucial in enabling countries to raise the revenue needed to implement the SDGs. (Paragraph 28)

Agree. The UK is one of the leading global donors on tax and development. The Government contributes considerable resources to build tax capacity in developing countries. In 2015, at the UN FFD conference in Addis Ababa, the Government announced that it would double funding for tax projects with a focus on supporting the international agenda i.e. tackling international tax evasion and avoidance. In addition, the UK works through the G20, Organisation for Economic Co-operation and Development (OECD), the Global Forum and the World Bank to make tax capacity programmes more effective and improve exchange of tax information.

4. We recognise the impact of tax evasion on developing countries' ability to raise revenues and welcome the Prime Minister's decision to host the recent Anti-Corruption Summit in London, positioning the UK as a leader in this debate. Despite this, we remain concerned about successive governments' approaches towards international tax cooperation and fairer tax rules. We believe that strong commitment to addressing these areas is essential. We welcome the progress made so far, as outlined by the Prime Minister. However, we urge the Government to ensure that the overseas territories and Crown dependencies introduce central beneficial ownership registries as soon as possible, in accordance with the Prime Minister's statement. Discussions and decisions on international cooperation in tax matters need to be made within an inclusive body, such as the United Nations (UN), rather than just the OECD, whose membership includes only developed countries. If there is a need for greater financial expertise, then it could work together with (for example) the International Monetary Fund (IMF), whose membership also encompasses almost the entire globe. We are addressing this area in more detail in our ongoing inquiry into 'Tackling Corruption Overseas'. (Paragraph 29)

Partially agree. As was said at the recent Anti-Corruption summit, the Overseas Territories and Crown Dependencies have “moved a huge distance in terms of transparency and openness” and are now “ahead of many other developed countries.” Ahead of the Summit, they agreed to hold beneficial ownership information via central registers or similar arrangements, and to grant UK law enforcement and tax authorities automatic access to this information (Bermuda and Jersey already had central registers in place). They have also agreed to support the UK-inspired initiative to develop a new international standard for automatic sharing of beneficial ownership information with other countries' law enforcement authorities on a reciprocal basis. The Government continues to work closely with the Territories and Dependencies on the implementation of the commitment to direct access for law enforcement authorities and on the issues involved in developing a new global standard for automatic exchange.

The Government accepts that the needs and interests of developing nations and emerging markets need to be taken into account in international standard setting bodies. However, the government does not accept the argument that this is best achieved through an upgrade of the UN Tax Committee. Upgrading the Committee to look at international corporate tax rules would create a duplication of roles between the OECD and the UN. The Government believes that the OECD sets the most advanced and stringent international standards, which are required to protect taxpayers and revenue.

Encouraging private investment

5. We welcome DFID's commitment to encouraging private sector investment in developing and fragile states. We acknowledge that this will be essential for countries wishing to make progress towards the SDGs, contributing to the agenda by creating jobs, increasing incomes, providing services and increasing resilience. However, where private investment is encouraged by DFID or other arms of the UK Government in developing countries, we highlight the need for the UK Government to continue to champion sustainable and inclusive, pro-poor growth, as a way to combat extreme poverty and build more prosperous and equitable economies. (Paragraph 34)

Taken with

6. The Government must ensure that the work it carries out to encourage private sector investment, through CDC, the Prosperity Fund and other initiatives, is focused on developing and fragile states that need most support. When considering an investment, CDC must actively and explicitly consider whether it will have a positive impact on the achievement of the SDGs (and thus poverty reduction) in that country, and only take forward those investments that it believes will align with progress towards the Goals. They should then report back on the impact of its work on the SDGs in its annual report. The Prosperity Fund must require bids to outline the impact of the project on the achievement of the SDGs, and to report back on its contribution to progress within its project reports.

Partially agree. The Government champions inclusive and pro-poor growth, including through CDC (formerly known as the Commonwealth Development Corporation).

CDC's mandate is aligned with achievement of the Goals; in addition to financial return, CDC investments aim to create jobs and are focussed only on the poorest regions of South Asia and Africa. 83% of new CDC investments are in DFID partner countries and 56% is invested in Fragile and Conflict Affected Countries. CDC reports on the impacts of its investments through its Annual Review publication.

The Prosperity Fund represents a step-change in the ODA resources spent on assisting countries to grow and develop, which will make the world a more prosperous place.

All ODA activity under the Prosperity Fund must demonstrate that the primary purpose is to promote the economic reform and development needed for growth in partner countries (as required under ODA rules). They must also show a secondary benefit to business, including to British companies. The monitoring and evaluation strategy for the Prosperity Fund is currently being developed.

Maximising the capital markets

7. We recognise the potential—and need—to harness the trillions of dollars tied up in the capital markets to achieve the SDGs. London is the world's leading financial centre, meaning that the UK Government is in a strong and unique position to look at how this could be done. (Paragraph 40)

8. *We recommend that DFID and other relevant government departments, such as the Treasury and Department for Business, Innovation and Skills, enter into discussions with the London Stock Exchange and the City of London to discuss how they might work together to create better incentives for sustainable development in the capital markets. We propose that the Government report back to us on their efforts in this regard in a year's time.* (Paragraph 41)

Agree. The Government welcomes the IDC's focus on the importance of mobilising finance for development through global capital markets. The Government agrees that London's status as the world's leading financial centre offers a unique opportunity to deliver on this priority, by leveraging UK expertise available in the private and public sectors. DFID has established a Memorandum of Co-operation with the London Stock Exchange, which has already resulted in a capacity building project to develop skills in Tanzania's capital markets, and has an active partnership with the Chartered Institute of Securities & Investment to establish professional certification in African countries. DFID will continue to focus on capital markets as part of its broader financial sector work, leveraging the UK's world-leading expertise where possible. Progress in this area will be covered by DFID's standard reporting

Multilateral organisations

9. Working through, and in partnership with, multilateral organisations seems logical and beneficial in the context of the SDGs. Achieving progress on global public goods such as environmental sustainability and financial stability will require strong multilateral collaboration. We encourage the Government to continue to work through and with multilaterals to achieve the SDGs as it encourages global cooperation, the sharing of ideas and innovation, an extension of influence for member states, and the ability to use their extensive networks to broaden the reach of development spending. We note that allocation of significant funds from DFID to multilaterals gives the UK a greater influence in their policies and programming. (Paragraph 49)

10. At the same time, we recognise the concerns over DFID's ability to ensure that multilateral programmes are targeted towards the poorest countries, tailored to the context and represent value for money equivalent to its bilateral expenditure. We welcome DFID's continued close monitoring of expenditure through multilateral organisations, by performing the Multilateral Aid Review (MAR), to ensure continued value for money. (Paragraph 50)

11. *Following the forthcoming Multilateral Aid Review, DFID should lay out exactly how its engagement with multilaterals will help it support the achievement of the SDGs, either within the MAR document itself or an alternative strategy document.* (Paragraph 51)

Agree. Global challenges require global action and DFID sees the UK investment in multilaterals as being integral to tackling these challenges and achieving the Goals.

The Multilateral Aid Reviews (MAR) will be published later in the year.

Civil society organisations

12. Civil society organisations—from the global north and global south—have a vital part to play in the achievement of the SDGs, through communicating and implementing the Goals, and holding governments to account on progress. We hope the crucial role of civil society in achieving the Goals will be recognised by the Government in the upcoming Civil Society Partnership Review, and that they will work closely with civil society organisations on the implementation of the Goals, both at home and overseas. It is also crucial for civil society organisations to be able to operate free from violence, intimidation and repressive legislative restrictions. We are concerned at the number of reports we have received of a reduction in the space for civil society to operate in a broad number of countries, including a number of countries in receipt of UK Aid. We urge the UK Government to use its links with governments across the world, (through DFID, FCO, MOD, BIS, Home Office and others) to communicate the importance of protecting and enhancing a vibrant civil society to ensure its vital role towards achieving the SDGs agenda. (Paragraph 56)

Taken with

13. *We recommend that DFID look closely at its civil society funding mechanisms to ensure:*

- a) small NGOs, particularly in the Global South, are not being discriminated against because of difficulties in disbursing and managing small amounts of money, and that they are not restricted due to levels of funding sources being external to the countries in which they operate;***
- b) innovation and collaboration to achieve the SDGs are encouraged through flexible funding and reporting;***
- c) CSOs are able to undertake the important task of communicating the SDGs to citizens across the world so that governments are held to account on progress. (Paragraph 57)***

Agree.

- a) The Government will work to ensure that small Civil Society Organisations (CSOs) continue to have access to DFID funding opportunities. These organisations are filling an important niche and the Government recognises that it is often smaller, grassroots organisations that are best able to make the connections on the ground and achieve lasting impact. Many DFID country offices directly fund small local NGOs.
- b) CSO engagement in the Civil Society Partnership Review (CSPR) emphasised their added value in supporting collaboration, learning and flexible responses to emerging opportunities.

- c) In addition to working with CSOs to deliver direct improvements to the lives of people in poor communities across the world, DFID recognises the value in working with CSOs on development policy and international issues. They have a role in supporting people to influence decisions that affect them, and strengthening civic participation.

The Private Sector

14. We welcome DFID's commitment to engaging the private sector in the SDGs agenda, from large corporations all the way down to SMEs, as the SDGs are relevant to them all. However, there is still a long way to go to get a wide range of companies engaged, and the agenda is not just relevant to those businesses engaging in developing countries, but to all businesses. A very strong business case needs to be developed to encourage the private sector to take the Goals on board and incorporate them into their usual business practices. (Paragraph 62)

Agree. The UK Government believes one of the most effective mechanisms for encouraging businesses to take the Goals on board is to create the business case for doing so. The Government aims to contribute towards building this business case by helping companies overcome the barriers to operating successfully in developing countries in ways which contribute to poverty reduction. As well as generating successes directly, this also results in lessons that other firms can benefit from. The Government also presses the importance of this point through the relationships it has with organisations that it has funded through the Responsible Accountable Transparent Enterprise Programme (RATE). The RATE programme aims to work with the private sector to ensure and improve the safety and well-being of poor women and men, where business activity affects their lives.

15. *The UK Government should take a leading role in communicating the SDGs to a wide private sector audience in the UK, including through leading business organisations such as the Confederation of British Industry (CBI) and the Federation of Small Business (FSB). It should use the expertise housed within the Department for Business, Innovation and Skills (BIS) and UK Trade and Investment (UKTI) to support the newly formed Business and Sustainable Development Commission in devising a comprehensive business case for private sector engagement with the Goals. As a part of this, the Government should support the development of international benchmarks against the SDGs to enable companies to monitor and report on their progress against relevant targets. (Paragraph 63)*

Partially agree. The Government funds the newly formed Business and Sustainable Development Commission. The Government sees value in international benchmarks that promote responsible business behaviour, and want to equip businesses and investors with the tools they need to assess their progress against the Goals. The Government is discussing benchmarking with partners and may support them providing there is sufficient evidence that they will contribute to more responsible business behaviour.

16. *We recommend that DFID ensure a clear line of accountability through its own procurement chains, to ensure that its private sector partners are being held to a clear set of standards on mainstreaming the SDGs into their working practices, and maintaining the same high levels of transparency in the use of public funds that are required of civil society and multilateral organisations. (Paragraph 64)*

Agree. DFID is fully committed to ensuring there is transparency and accountability in its use of public funds and to providing money to partners tackling extreme poverty (Goal 1). All DFID suppliers sign up to a Statement of Priorities and Expectations for Suppliers and Partners which sets out expectations for integrity, transparency, accountability as applicable to supply partners and their treatment of their supply chain partners. This also drives performance improvements and ensures that these priority areas are aligned with DFID's own.

Local government

17. The Local Government Association's engagement with the SDGs is very welcome, as local implementation of the Goals will be crucial to ensure that no one is left behind. We welcome their offer to work with DFID—alongside the Commonwealth Local Government Forum—to help communicate the Goals to local authorities around the world and assist with important capacity building work. We hope the LGA will also encourage all UK local authorities to engage with the SDGs and incorporate them into their work, to support domestic achievement of the Goals. (Paragraph 66)

Agree. This conclusion is for the Local Government Association and the government looks forward to seeing any response. The Government agrees that local government can play an important role in achieving the Goals.

Domestic implementation of the SDGs

18. The Government's response to domestic implementation of the SDGs has so far been insufficient for a country which led on their development as being universal and applicable to all. We remain to be convinced that responsibility for domestic implementation should lie with the Secretary of State for International Development, who already faces a substantial challenge in working to support international implementation of the Goals. While passion about the SDGs and understanding of them is important in planning implementation, a high level of influence across all government departments will be vital to ensure domestic implementation is on track. (Paragraph 74)

Partially agree. The Government believes that Agenda 2030 should continue to sit under the leadership of the Secretary of State for International Development as DFID is well placed to oversee the agenda in its entirety, having played a key role in negotiating the Goals, which have poverty reduction as one of their primary objectives. The Secretary of State has significant credibility and impact across Government, and has a seat at the Cabinet table. The Minister for the Cabinet Office will support the domestic implementation of Agenda 2030. The Secretaries of State of other government departments are responsible for delivering Goal-related policy areas. DFID works effectively with other departments, building on successful cross-government coordination during the post-2015 negotiations, and—working particularly closely with Cabinet Office colleagues—will ensure the coordinated approach across Government that this agenda's wide-ranging nature requires.

19. Engagement of government departments will be central to the success of domestic implementation, which itself has an impact on making progress on the goals globally. As such, we are particularly concerned that the SDGs have not been included in the 2015–2020 Single Departmental Plans of all government departments as was previously

suggested by the Minister. Only DFID and the FCO's plans reference the Goals. This indicates a worrying lack of engagement in, or ownership of, the SDGs by departments across Government, whose contributions will be essential to achieving the SDGs at home and overseas. (Paragraph 75)

Taken with

20. *Departments should be assigned specific responsibilities for making progress on the SDGs—as originally indicated in DFID's evidence—to ensure ownership and clear lines of accountability. These responsibilities should be laid out clearly in each department's Single Departmental Plan, which should be urgently reviewed accordingly with specific references to relevant SDGs by number. (Paragraph 76)*

Partially agree. While the Government agrees that all departments are central to successful domestic implementation of the Goals, it disagrees that each Single Departmental Plan (SDP) should be urgently reviewed with the specific references to the Goals by number. The Government's manifesto sets out the policy areas through which the UK will make its contribution to implementation of the Goals and Single Departmental Plans reflect all of the manifesto commitments. The ongoing monitoring of SDPs will hold government departments to account and help ensure that the UK is playing its part domestically in achieving the Goals.

21. *The Government must ensure that all Secretaries of State and government officials engage with the SDGs and fully understand the implications of the Goals on their department's policies and programming. The Cabinet Office should lead on this work, in consultation with DFID, and we recommend that, if it has not already done so, it urgently produces a substantive and fully resourced internal communications strategy on the SDGs to ensure that all departments understand their responsibilities to deliver on the Goals. (Paragraph 77).*

Agree. The Government agrees it is important that all Secretaries of State and government officials engage with the Goals and fully understand the implications of the Goals on their Departments' policies and programming. To this end, officials in each relevant government department will act as focal points and there will be regular coordination meetings at Director- and policy official-level, co-hosted by DFID and the Cabinet Office.

Policy coherence for sustainable development

22. It is clear from the evidence that policy coherence across Government will be crucial to SDG implementation. Although there are some good examples of policy coherence being addressed on a case-by-case basis by the Government, such as FGM (female genital mutilation), this approach is insufficient for tackling the universal SDGs agenda. We are deeply concerned at the lack of a strategic and comprehensive approach to implementation of the Goals. Without this, it is likely that areas of deep incoherence across government policy could develop and progress made by certain departments could be easily undermined by the policies and actions of others. It also reflects a worrying absence of commitment to ensure proper implementation of the SDGs across-government. (Paragraph 83)

Partially agree. Policy Coherence for Development will be central to implementing Agenda 2030. DFID will continue to work with UK Government partners, other UK institutions and international organisations to ensure coherence of policies that affect developing countries and to take advantage of opportunities that exist outside DFID to bring in skills and experience that support poverty reduction.

The Government is clear that there are effective existing mechanisms in place to ensure that the Government holds collective discussions of its objectives. This is achieved through, for example, the National Security Council, of which the Secretary of State for International Development is an active member. There are also discussions at Cabinet level and in its sub-committees to ensure joined up Government policy making.

23. *The Government should identify a formal mechanism for relevant Secretaries of State or responsible Ministers to come together regularly to discuss the implementation of the SDGs across Government. Such a forum would ensure engagement from all departments at the highest political level. It should be used initially to discuss how the SDGs can be implemented coherently across Government, but could develop into a forum for discussion of particular areas of the agenda at regular, and defined, intervals. This would enable areas of policy incoherence to be flagged at an early stage, and dealt with at the highest level. We ask that the Government outline in their response the form that this mechanism will take. (Paragraph 84)*

Disagree. The Government is already taking a coordinated approach across Whitehall to implementing the Goals. There are a number of existing and robust mechanisms to facilitate inter-departmental Ministerial discussions on the implementation of the Goals. These include the Cabinet itself, regular meetings on themes such as Leave No One Behind, Director level meetings to discuss the Goals themselves and other policy official level meetings that cover specific policy areas.

24. *Reporting on policy coherence must be strengthened to ensure a more comprehensive approach. Current provisions under the International Development (Reporting and Transparency) Act 2006 are insufficient and place the full burden of reporting on DFID, rather than making it a cross-government responsibility. The Government should commit to producing a biennial report on policy coherence for sustainable development. (Paragraph 85)*

Partially agree. DFID is considering how to update its reporting to reflect the move from the MDGs to the Global Goals. Given the changing international context, and the large increase of targets and indicators in the new Goals, it is not necessarily appropriate to report on them the exact same way as progress towards the MDGs was reported. The Government will inform the committee when a decision on this has been made.

A national implementation plan

25. During this inquiry we have been concerned by the reluctance of the Secretary of State for International Development and the Minister for Government Policy to provide a cross-Government plan for implementation of the SDGs. Previous assertions that the manifesto equates to an action plan on the SDGs do not adequately reflect the commitment to which the Government signed up in September 2015. (Paragraph 88)

Disagree. The Government's manifesto sets out the plan of action for which it will be held accountable by the British people for the duration of this Parliament. This includes commitments relevant to each of the Goals, such as saving 1.4 million children's lives through immunisation, helping 11 million children gain a decent education, improving nutrition for at least 50 million people, and helping at least 60 million people gain access to clean water and sanitation. As such, the manifesto commitments will guide the government's efforts to achieve the Goals. In addition to this, the Goals are reflected in commitments set out in the Single Departmental Plans, DFID's and other departments' strategic objectives, and the UK Aid Strategy. However, the Government recognises that it should set out in one place how it is contributing to the Goals; the former Chancellor for the Duchy of Lancaster made clear that the Government would produce a report in due course covering international and domestic implementation.

26. We welcome the Minister's announcement that the Government will produce a report outlining the international and domestic approach to implementation of the SDGs by the end of the year but are disappointed at the apparent reluctance to call it an implementation plan and at the impression of a lack of urgency on this issue which has been conveyed, bearing in mind that the Government signed up to the SDGs well over six months ago. We welcome the reference to the Sustainable Development Goals, by name, in the Queen's speech on 18 May 2016 and hope that this indicates a strong commitment to Government action to take forward implementation of the Goals in this parliamentary session. (Paragraph 89)

Taken with

27. *The forthcoming Government report on the UK Implementation of the SDGs should be urgently produced and must equate to a substantive cross- government plan for implementation of the SDGs. It must include clear lines of responsibility for each government department for domestic and international implementation of the SDGs. It must also clearly outline exactly how the Government will ensure policy coherence across the SDGs agenda. (Paragraph 90)*

Partially agree. The forthcoming report will set out a clear narrative for the Government's approach to implementing the Goals both internationally and domestically, including key principles, flagship initiatives and expected results and further information on how the government is set up to contribute towards achievement of Agenda 2030. DFID and Cabinet Office are considering how best to get input from departments, and are clear this needs to be a comprehensive report. In the meantime, the UK remains at the forefront of processes still ongoing to agree the follow-up and review architecture, including the indicator framework.

Where should DFID prioritise?

28. To be most effective and stand the best chance of success, governments' implementation of the SDGs must be aligned to existing national priorities. National implementation must be a country-led process with opportunities for democratic engagement by citizens and civil society. We welcome DFID's emphasis on encouraging national ownership of the SDGs in its priority countries. It can do this by supporting governments as they map the targets and indicators against national plans to identify

where they align with existing priorities and where there are gaps. DFID will then be in a position, in partnership with other stakeholders, to offer support to the government to fill these gaps. (Paragraph 99)

Taken with

29. In supporting countries to make progress towards the SDGs, DFID should assess where its work is likely to make the most impact. This will potentially require country teams to look at all of the areas outlined in evidence to us, such as: where DFID has particular skills and expertise to deliver; where other development actors are not already providing support; where there might be root bottlenecks which, if tackled, could have an impact on a number of goals; or indeed the goals where the country is most off track and may need the most support. These assessments will be country-specific and will help DFID contribute to a holistic response to the SDGs in its partner countries. (Paragraph 100)

Agree. Agenda 2030 and the Goals, including the ‘5 Ps’ of People, Planet, Prosperity, Peace, Partnership, provide the framework for the *UK Aid Strategy*, which set out how the Government plans to align its efforts to defeat poverty, tackle instability and create prosperity in developing countries.

Following publication of the *UK Aid Strategy*, DFID has undertaken a Bilateral Aid Review to assess the shape of its overall portfolio, geographical footprint and the mix of delivery channels. Our assessment of where we should focus our resources is based on solid evidence, including Country Poverty Reduction Diagnostics—assessments of the barriers to poverty reduction—and Inclusive Growth Diagnostics—assessments of the barriers to inclusive growth—in each of the countries that DFID works in. These country-specific diagnostic tools considered not only DFID’s capability to tackle the root bottlenecks to growth and poverty reduction, but also the role of others, including government, donors and the private sector.

30. Once an approach has been developed, DFID should outline how it is supporting countries to achieve the SDGs within the Operational Plans of each of its priority countries. (Paragraph 101)

Agree. The Global Goals set out the long term global development agenda up to 2030. The Bilateral Aid Review will determine DFID’s specific plans for the period up to 2020. DFID will publish the results of the Bilateral Aid Review, as well as profiles for each country where it works, in due course.

Integrating the Goals in to DFID’s work

31. In our recent Report on DFID’s allocation of resources we raised concerns over whether the new aid strategy had reduced the emphasis on poverty reduction. Similarly, and in light of the absence of clear linking of SDGs to policy priorities in DFID’s new Single Departmental Plan, it seems that the SDGs have not sufficiently informed the Government’s overseas aid strategy. (Para 107)

Disagree. The Goals set the long term international development agenda up to 2030, and provide the framework for the *UK Aid Strategy*. The *UK Aid Strategy* sets out the Government’s detailed approach up to 2020. DFID has translated that into its Single

Departmental Plan and used it to inform the planning of all teams which contribute to delivery. The UK Aid Strategy and DFID's strategic objectives of prosperity, security, responding to crises and supporting the very poorest are fundamental to achieving the Goals. Building prosperity through growth and jobs, preventing conflict and supporting peaceful societies are all absolutely vital to achieve the Goals and live up to the promise of leaving no one behind. The Goals have also been given due consideration in DFID's business planning.

32. *We recommend that the Government produces a White Paper on International Development to provide clarity on its approach to Agenda 2030. Following the Multilateral, Bilateral and Civil Society Partnership Reviews, DFID and other government departments will be in a position to provide a comprehensive overview of their approach to international development over this Parliament and towards 2030, within the framework of the SDGs. A White Paper would serve an important function for the UK's partners across the world, demonstrating the UK Government's commitment to the Goals and explaining how it will support developing countries to achieve them. It would also be a useful exercise for the Government, bringing together different departments to ensure there is a coherent approach to Post-2015 development policy across all of Whitehall and all branches of DFID, from Westminster and East Kilbride to country offices across the world. (Paragraph 108)*

Disagree. The Government agrees that there is a need to set out a comprehensive approach to international development, but is confident that the UK approach does not necessitate a new White Paper. The UK Aid Strategy sets out the four year strategy in the context of the Goals which will guide DFID business planning. The Government will require all departments spending ODA to demonstrate how they are using rigorous evidence to underpin spending decisions and to set out how plans to deliver this work represent international best practice.

In addition, achieving the Goals will require an approach that goes beyond traditional aid spending. It will be important to work in innovative ways, not only with partner governments, but with multilateral organisations, civil society and the private sector, in developing economies, larger economies, and here in the UK. This will be a job for all government departments, not just those that spend ODA. In its manifesto the Government set out its vision what the UK will accomplish over the coming years and departments have translated this into Single Departmental Plans which they are responsible for implementing. The Cabinet Office plays a significant role in ensuring these Plans are coherent, and it will continue to do so.

33. *The legislative framework determining much of the UK's aid spending is also not fit for the post-2015 development agenda. The Government should use this critical juncture to consolidate and update the four International Development Acts (2002, 2006, 2014, and 2015) into one single Act. With the passage of the International Development (Official Development Assistance) Act 2015 and the agreement of the SDGs, many of the clauses within the 2002 and 2006 Acts are now obsolete. We recommend that the Government should consolidate these acts and update the provisions to reflect:*

- a) *A legal requirement that poverty reduction (including through the provision of global public goods) is the primary purpose of all ODA spending (including by Other Government Departments);*

- b) *A commitment to support the achievement of the SDGs, to incorporate them throughout DFID's policy and programmes, and a legal requirement to report regularly on its contribution to progress in countries where it has bilateral programmes; and*
- c) *A legal requirement of more systematic efforts towards, and reporting on, policy coherence across Government in support of the SDGs, substantially improving on the reporting currently conducted through DFID's annual report which merely 'cherry picks' examples of collaboration. (Paragraph 109)*

Disagree. Parliament already provides a range of powers under which Government Departments can spend ODA. It is for individual Departments to determine which legislation is most appropriate for their particular circumstances.

On b), the Government thinks that it is more appropriate to make commitments on how the UK will report on the Goals once there is a greater understanding of the international reporting framework. While it is clear that reporting to the UN will be based on a set of indicators that have been developed at a technical level, these are yet to be formally adopted by the UN General Assembly. Once these indicators have been agreed the UK will be in a position to develop its thinking on how it will report against them, and whether it is appropriate to undertake any supplementary reporting.

Data for Development

34. We welcome the Secretary of State's continued commitment to increasing the capacity of developing countries to collect and use data. We recognise that establishing where countries currently stand will be essential for identifying how far they have to go to achieve the Goals. We appreciate the vital role that data can play in enabling national governments to track progress against the SDGs, and for citizens and civil society to hold government to account on areas where they are falling short. We understand the importance of collecting disaggregated data to ensure no one is left behind, despite the clear challenges this presents. (Paragraph 117)

Agree. The Government is pleased to see the Committee endorsing the need to build the capacity of developing countries to collect and use data.

The large number of indicators for the Goals increases the need to support country-level capacity on data collection, analysis and use. Data is needed to understand the scale of the challenges, and to help design the policies and programmes that are needed to achieve the Goals. It is also needed to track progress.

Disaggregated data is central to implementing the Leave No One Behind Promise agreed in September 2015. Although this is challenging, new data sources and new methods of data analysis are creating new opportunities to reduce the cost of data collection, and to fill data gaps.

35. We urge DFID to continue to take a leading role in the Global Partnership for Sustainable Development Data, encouraging innovation, localisation and partnership to find new ways of collecting data to establish baselines and track progress towards the SDG indicators. DFID should also continue to support capacity building in developing

countries, through Paris 21 and the World Bank, but also bilaterally sharing the skills and knowledge housed within the Office of National Statistics to provide support and training for others. (Paragraph 118)

Agree. The Government is pleased to see the Committee endorsing the need for DFID to continue to work with partners to track progress towards the Goals' indicators.

Many different organisations, in government, the private sector, academia and civil society, will need to play their part if data is to play its full role in achieving the Goals. DFID is looking to the new Global Partnership for Sustainable Development Data (GPSDD) to help mobilise and coordinate the institutions and actions required to achieve this.

DFID will continue to support statistical capacity building in developing countries, working with existing partners such as PARIS21 and the World Bank. DFID will also seek new partners to work with on data. UK Official Statistics receives a large number of requests for technical assistance and capacity building work. The Office for National Statistics (ONS) has recently established a new International Development Branch, whose task will be to link UK Official Statistics subject matter experts into priority technical assistance and capacity building projects. DFID will engage with ONS in the establishment of this new Branch, and identify opportunities to work together.

UK reporting against the SDGs

36. The UK Government should report annually on its contribution to SDG progress in all of DFID's priority countries. This would be a helpful internal process for DFID, to assess where they are contributing to success and where their efforts are falling short, and thus where they need to take further action or reprioritise its efforts. It will also enable us, as a Committee, to scrutinise the efforts of the Government to support implementation of the SDGs overseas. The report should include the contributions of all government departments towards progress in those countries, including the positive and negative effects of government policies such as on tax, trade, the environment, migration and peace and security. (Paragraph 122)

Partially Agree. The Government is pleased that the Committee sees value in reporting UK contributions towards the Goals. The Government is considering how to update its reporting to reflect the move from the MDGs to the Global Goals. Given the changing international context, and the large increase in numbers of targets and indicators in the new goals, there will be a need to be more selective in how DFID reports on progress in its priority countries, according to the country context. It is not necessarily appropriate to report on them in the same way that progress towards the MDGs was reported. The Government will inform the Committee when a decision on this has been made.

37. The Government will be reporting against its domestic progress on the SDGs annually, as part of its responsibility to the UN's global monitoring process. This report, and a full breakdown and analysis of the data (disaggregated where relevant) must be made publicly available, to enable the Environmental Audit Committee (EAC) and departmental select committees to track progress and hold relevant Government departments to account on any areas where it is falling short. (Paragraph 123)

Agree. The ONS will provide UK data for global indicators to the UN Statistical Commission as required. In line with the Code of Practice for Official Statistics requirement to make official statistics equally available for all, ONS plans to develop an online platform for disseminating the data to all users.

ONS has established a Data Development team who are responsible for identifying data gaps and developing new data sources and methods to support the need to disaggregate the data, in accordance with the UN Fundamental Principles for Official Statistics—this is in line with the overarching principle to ‘Leave No-one Behind’.

38. We welcome the Environmental Audit Committee’s continued engagement with the SDGs and the recent interest shown by the Women and Equalities Committee. We also note the establishment of the cross-party, bicameral All Party Parliamentary Group on the SDGs, the numerous debates in the House of Commons and House of Lords Chambers on the SDGs and the substantial number of Parliamentary Questions, which have been submitted relating to the Goals. The continued support for, and interest in, the domestic and international implementation of the SDGs is clear across Parliament and should be noted by the Government. (Paragraph 126)

Taken with

39. We also welcome the Environmental Audit Committee’s ongoing work monitoring domestic sustainable development performance, which will be a big part of the UK’s response to the SDGs. We believe also that it is in the interests of other departmental select committees to engage with the Goals early, in order to assess any potential gaps in progress against the SDGs for which their department is responsible. It will also enable them to push for ambitious national indicators in a broad range of areas and to hold the government to account on anywhere it may fall short on these over the next 15 years. (Paragraph 127)

40. *We recommend that all House of Commons departmental select committees engage with the SDGs, particularly those goals and targets most relevant to their departments. We encourage committees to: push for ambitious national indicators against the SDGs; monitor departmental progress against these indicators, once formulated, and use the data produced by the ONS annually to hold departments to account on their performance. Ideally, this scrutiny would culminate with an annual session with the relevant Secretary of State in advance of the High-level Political Forum on global SDG progress in July. The Liaison Committee may also wish to question the Prime Minister annually on progress. (Paragraph 128)*

These conclusions and recommendations are for the Environmental Audit Committee and other House of Commons departmental select committees and the government looks forward to seeing their response.