

BRIEF

# Financing the SDGs in Colombia

## THE GLOBAL GOALS For Sustainable Development



# Introduction

## Three Views

Achieving the Sustainable Development Goals (SDGs) requires mobilizing resources from a variety of sources, including international partners, domestic budgets, foundations and philanthropy, as well as the private sector. Knowing where this money is going is key to helping policymakers make smarter choices and steer resources to priority areas. However, data on development financing rarely incorporate all of these sources.

To gain a more complete picture of SDG funding, AidData is launching a cutting-edge pilot in Colombia that will track, integrate, visualize and disseminate all-source financing for the SDGs, allowing decision makers to view progress on financing sustainable development from multiple angles. This project is a first step in total resource tracking for the SDGs and can be scaled up as more partners come on board and more sources of data are identified.

As a proof of concept, AidData has identified three key sources of data for Colombia:

### **View 1**

#### **Traditional and Emerging Donor Data**

AidData tracks development financing from over 200 traditional and emerging donors in our core database. Between 2000 and 2013, these donors contributed \$53 billion dollars to the SDGs in Colombia.

### **View 2**

#### **Data from Colombia's Aid Information Management System (AIMS)**

Colombia's Aid Information Management System collects data from multiple donors, including bilateral and multilateral partners as well as foundations and NGOs. These data detail \$696 million dollars for the SDGs from over 80 donors between 2003 to 2012.

### **View 3**

#### **Colombia's National Budget Data**

National budgets are a growing source of resources for the SDGs. In 2015, Colombia spent over \$13 billion dollars on projects relevant to the SDGs.

## Acknowledgements

AidData's work on sustainable development data, including its efforts to develop a global reporting standard for total resource tracking for the SDGs, is made possible through the generous financial support of the William & Flora Hewlett Foundation. This work is also made possible by the College of William & Mary, where AidData is housed in the Institute for the Theory & Practice of International Relations.

## View 1

# Traditional & Emerging Donors

### SLICING THE PIE

## Which goals received the most funding?

Financing by SDG, 2000-2013



Source: AidData, 2017

## \$53 BILLION

AidData's development finance dataset registered **\$53 billion dollars** in funding for the SDGs from 2000 through 2013

AidData tracks development projects and financing from both traditional and emerging donors, including bilateral assistance from countries like the United States and France, as well as funding from multilateral institutions like the World Bank and emerging donors like China and the Organization of the Petroleum Exporting Countries (OPEC),

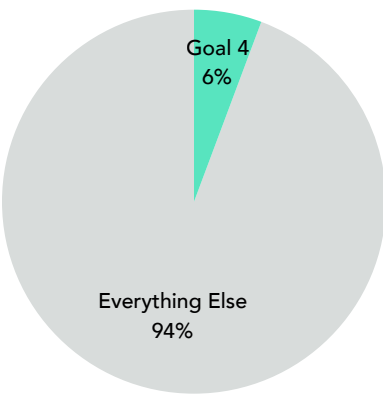
including official development assistance (ODA) and other official flows (OOF). From 2000 to 2013, over 50 different donors contributed to the SDGs in Colombia. Funding was concentrated on projects impacting peace, justice, and institutions (Goal 16), economic growth (Goal 8), and sustainable cities (Goal 9).

SPOTLIGHT ON EDUCATION

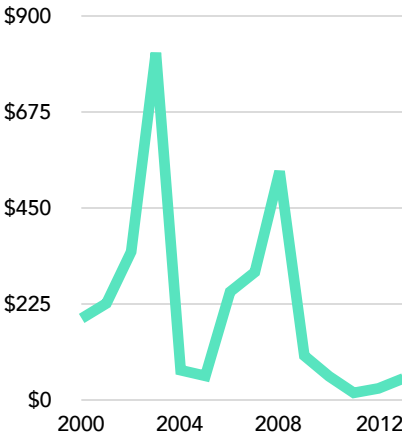
# Colombia received \$3 billion for Goal 4

## Funding for Education from 2000 to 2013

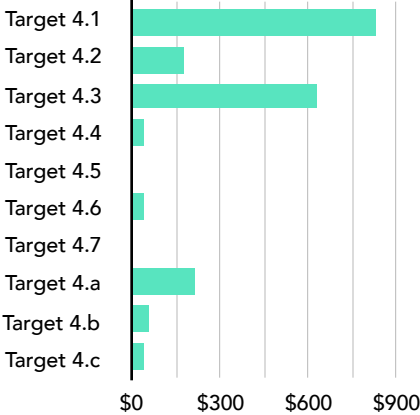
Education as a Percentage of Total SDG Funding



Variance in Education Funding by Year (USD Millions)



Education Funding by Target (USD Millions)



Source: AidData, 2017

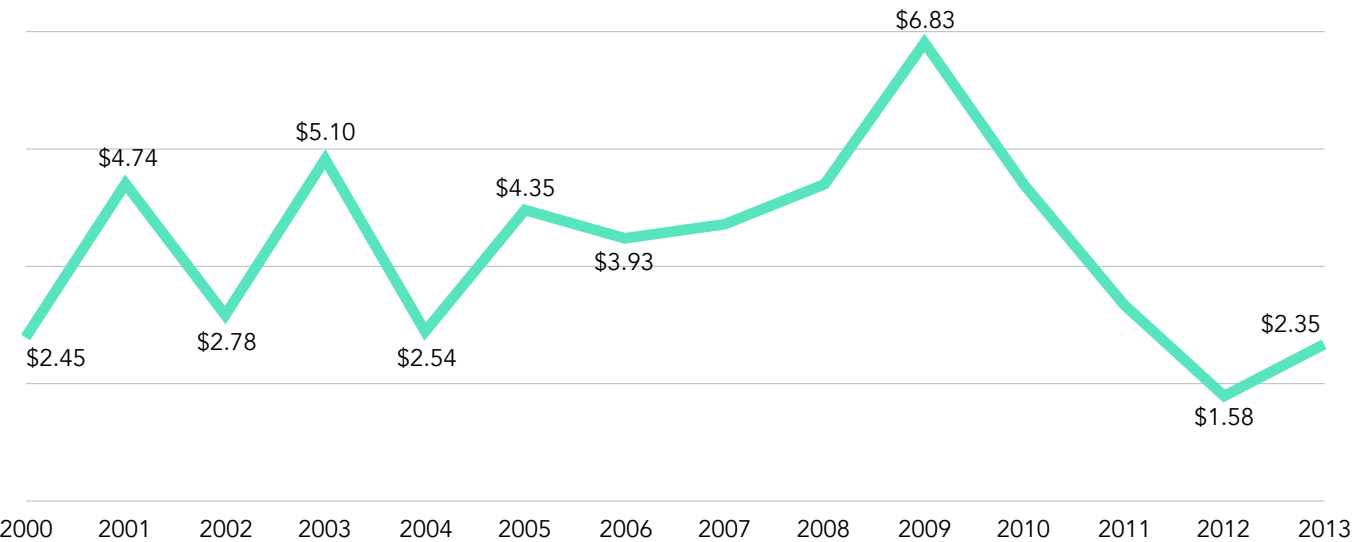
Although education is one of the three core pillars of Colombia's current National Development Plan, only 6% of SDG-related funding went to that sector between 2000 and 2013. 80% of this money came from just two donors — the World Bank and the Inter-American Development Bank. Education funding was concentrated on primary and

secondary education (Target 4.1), higher education (Target 4.3), and education facilities (Target 4.a).

## HIGHS & LOWS

# How did funding for all SDGs change over time?

## Financing by SDG (Billions of USD, Constant 2011)

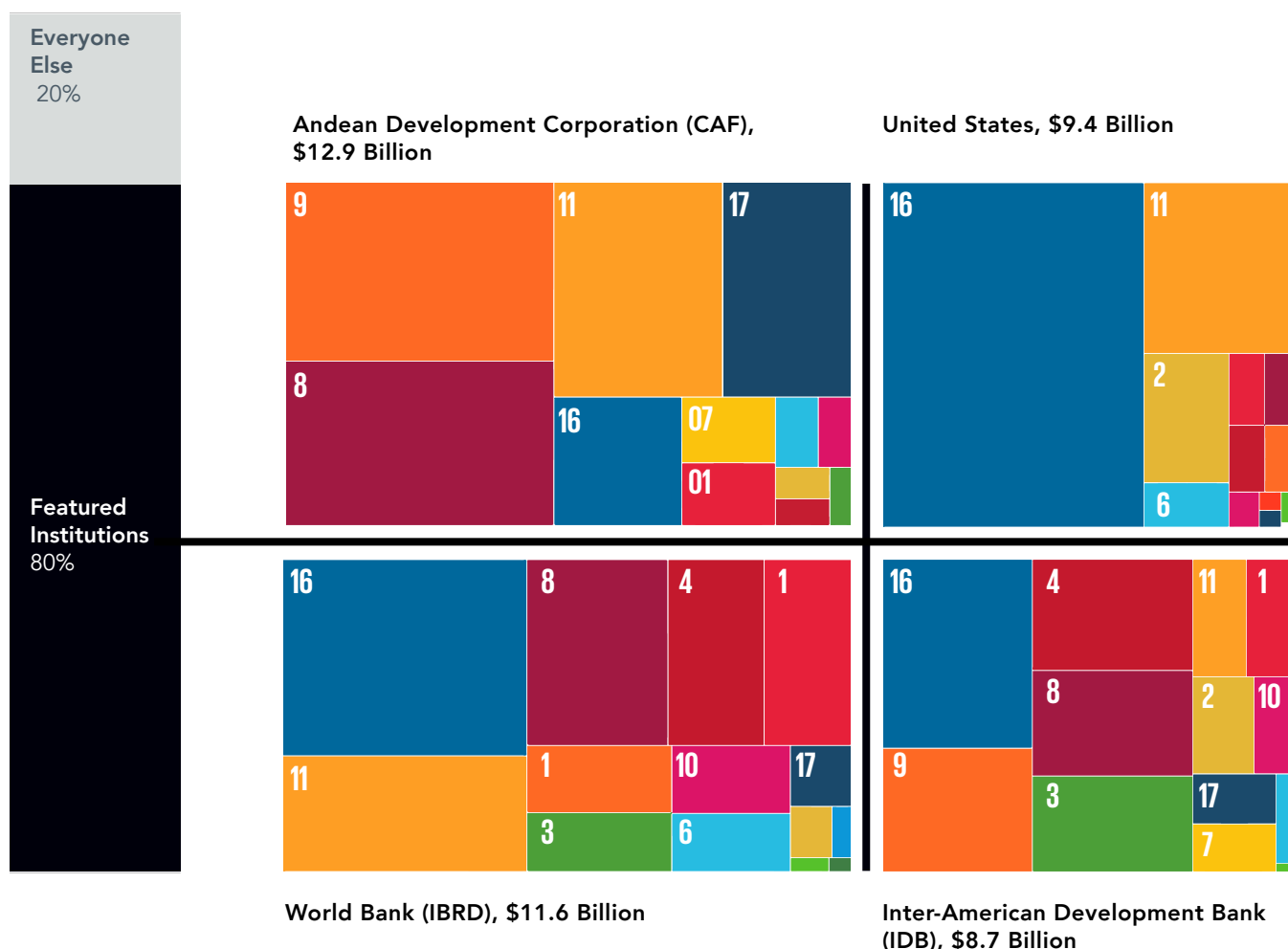


Source: AidData, 2017

## MAJOR CONTRIBUTORS

# Four institutions contributed 80% of all SDG funds

Financing by Portfolio, 2000-2013



Source: AidData, 2017

Although 50 different donors contributed to the SDGs in Colombia, the majority of financing was concentrated among just a few. The United States, the World Bank, and the Inter-American Development Bank had very similar patterns of financing across the goals, with the largest amount devoted to peace and justice (Goal 16). The Andean Development Corporation was the top donor, accounting for 24% of total funding to the SDGs and concentrating on industry and infrastructure (Goal 9) and economic growth (Goal 8).

Millions of USD	CAF	IBRD	USA	IDB
Goal 1	\$385.31	\$1,063.28	\$168.03	\$411.83
Goal 2	\$110.57	\$138.21	\$720.39	\$401.25
Goal 3	\$85.15	\$555.14	\$2.68	\$1,031.92
Goal 4	\$96.57	\$1,162.02	\$157.60	\$1,198.84
Goal 5	\$0.00	\$0.00	\$26.52	\$3.66
Goal 6	\$196.86	\$448.62	\$248.73	\$134.59
Goal 7	\$407.53	\$2.86	\$15.11	\$268.38
Goal 8	\$2,913.59	\$1,696.49	\$162.23	\$1,133.36
Goal 9	\$3,170.81	\$637.48	\$148.52	\$1,250.58
Goal 10	\$158.27	\$521.40	\$71.49	\$289.32
Goal 11	\$2,397.68	\$1,850.23	\$1737.07	\$423.17
Goal 12	\$0.00	\$0.00	\$0.04	\$0.00
Goal 13	\$0.00	\$18.07	\$0.00	\$0.00
Goal 14	\$0.00	\$66.79	\$2.62	\$0.69
Goal 15	\$0.00	\$35.89	\$20.14	\$8.06
Goal 16	\$1,087.98	\$3,120.65	\$5933.85	\$1,909.05
Goal 17	\$1,829.68	\$246.75	\$24.18	\$280.43

## Sustainable Development Goals

- 1 No Poverty
- 2 Zero Hunger
- 3 Good Health and Well-Being
- 4 Quality Education
- 5 Gender Equality
- 6 Clean Water and Sanitation
- 7 Affordable and Clean Energy
- 8 Decent Work and Economic Growth
- 9 Industry, Innovation and Infrastructure
- 10 Reduced Inequalities
- 11 Sustainable Cities and Communities
- 12 Responsible Consumption and Production
- 13 Climate Action
- 14 Life Below Water
- 15 Life on Land
- 16 Peace, Justice and Strong Institutions
- 17 Partnerships for the Goals

## Education-Related Targets (Goal 4)

- 4.1 Primary and Secondary Education
- 4.2 Early Childhood Development
- 4.3 Technical, Vocational, and Tertiary Education
- 4.4 Skills for Employment
- 4.5 Equal Access to Education
- 4.6 Literacy and Numeracy
- 4.7 Education for Sustainable Development
- 4.a Education Facilities
- 4.b Scholarships for Higher Education
- 4.c Qualified Teachers

## Industry and Infrastructure-Related Targets (Goal 9)

- 9.1 Quality Infrastructure
- 9.2 Industrialization
- 9.3 Small Business
- 9.4 Upgrade Infrastructure and Industry
- 9.5 Research and Technology
- 9.a Financial and Technical Support for Infrastructure
- 9.b Technology Development
- 9.c Information and Communications Technology

# View 2

## AIMS Data

### SLICING THE PIE

## Which goals received the most funding?

Financing by SDG, 2003-2012



Source: AidData and the Agencia Presidencial de Cooperación (APC-Colombia) 2017

## \$696 MILLION

Colombia's Aid Information Management System registered **\$696 million dollars** in funding for the SDGs in 577 projects from 2003 through 2012

Colombia's Aid Information Management System (AIMS) collects data from multiple donors. In addition to traditional bilateral and multilateral partners, this dataset also includes projects from foundations and NGOs, which are often not captured by other data collection systems. Reporting has increased rapidly in recent years. While only one project was recorded per year through 2006, this number had reached 286 by 2012. However, the total number of projects recorded at its peak remains below what AidData

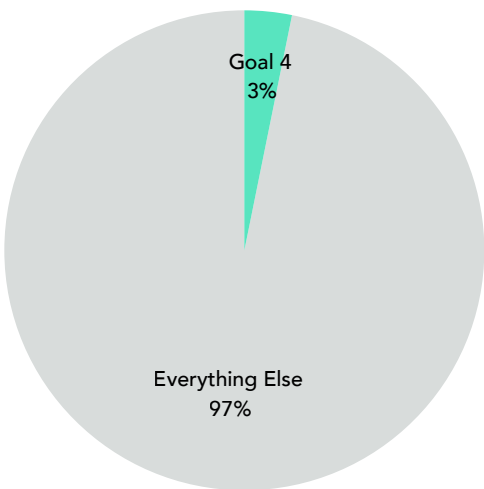
tracks for Colombia during the same time period, indicating underreporting and raising questions about whether these data are fully representative of what donors are contributing in Colombia. As a country-owned and operated system, AIMS has the potential to significantly assist in decision making among policy makers, but the usefulness of the information is only as good as the reporting.

SPOTLIGHT ON EDUCATION

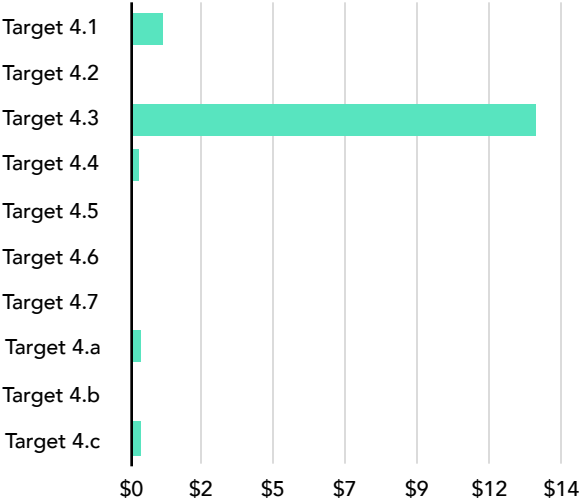
Colombia received \$22 million for Goal 4

Funding for Education Received from 2003 to 2012

Education as a Percentage of Total SDG Funding



Education Funding by Target (USD Millions)



Source: AidData and the Agencia Presidencial de Cooperación (APC-Colombia) 2017

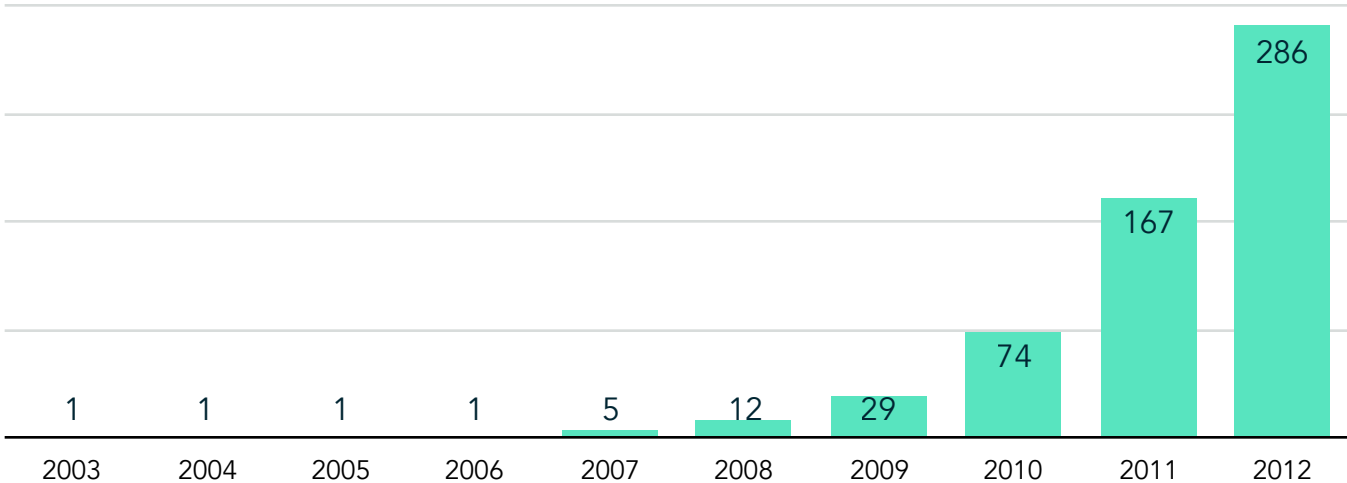
Only 3% of total financing to the SDGs was allocated to education between 2003 and 2012, with the European Union contributing more than 50%. 87% of this total went to higher education (Target 4.3). A focus on higher

education among donors is different than what is shown in the AidData database, which saw a much higher percentage spent on primary and secondary education.

TRACKING PROGRESS

Growth in project tracking

Number of Projects Included in the AIMS, 2003-2012



Source: AidData and the Agencia Presidencial de Cooperación (APC-Colombia) 2017



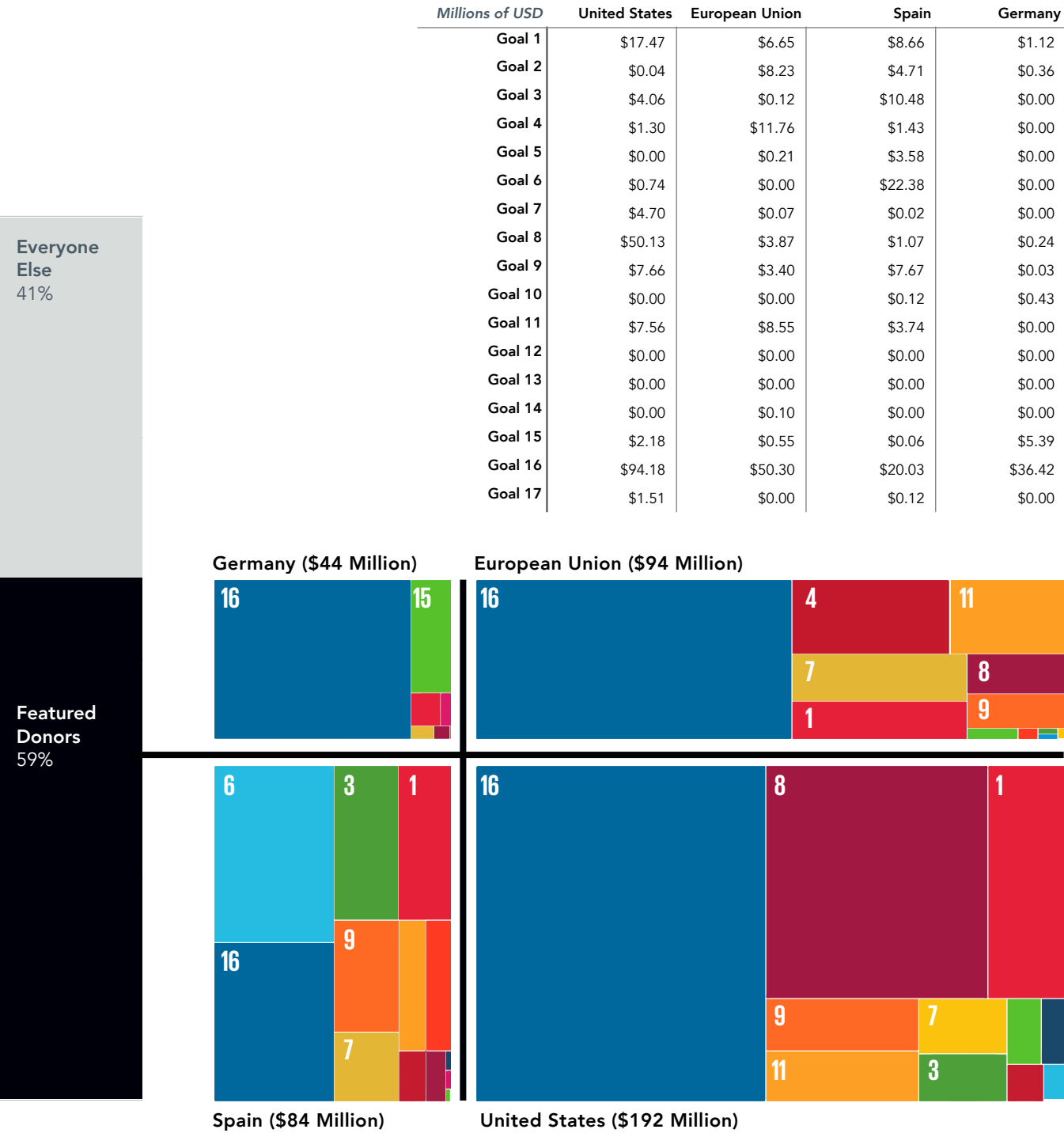
## MAJOR CONTRIBUTORS

# Four institutions contributed 59% of all SDG funds

## Financing by Portfolio, 2003-2012

The AIMS dataset includes information from over 80 donors. The distribution of financing is also more dispersed, with the top four donors making up only 59% of total financing. Peace and justice (Goal 16) is the top

funded goal by the United States, the European Union, and Germany. However, Spain, the number three donor in AIMS, gave the most money to water and sanitation (Goal 6).



Source: AidData and the Agencia Presidencial de Cooperación (APC-Colombia) 2017

# View 3

## Budget Data

### SLICING THE PIE

## Which goals received the most funding?

Financing by SDG, 2015 (Millions of USD, Constant 2011)



Source: AidData and the National Planning Department (DNP-Colombia) 2017

## \$13.5 BILLION

In 2015, Colombia spent **\$13.5 billion dollars** from its national budget on projects relevant to the SDGs.

For the first time, AidData has measured financing for the SDGs from a country's own domestic budget. Domestic budgets are often not counted as development finance even though they make up a growing source of money for the SDGs. In 2015, AidData found that Colombia spent

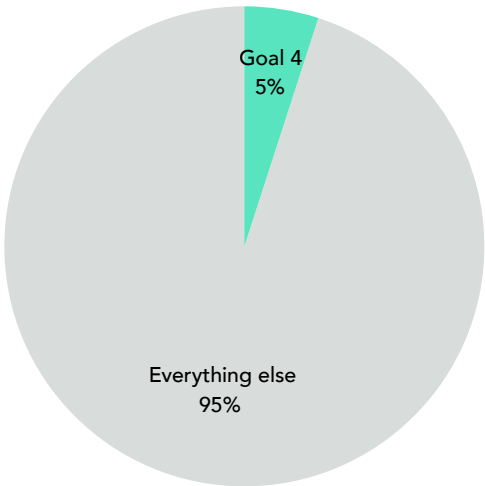
\$13.5 billion dollars on projects relevant to the SDGs, with the largest share of financing going to industry and infrastructure (Goal 9), sustainable cities (Goal 11), and peace and justice (Goal 16).

SPOTLIGHT ON EDUCATION

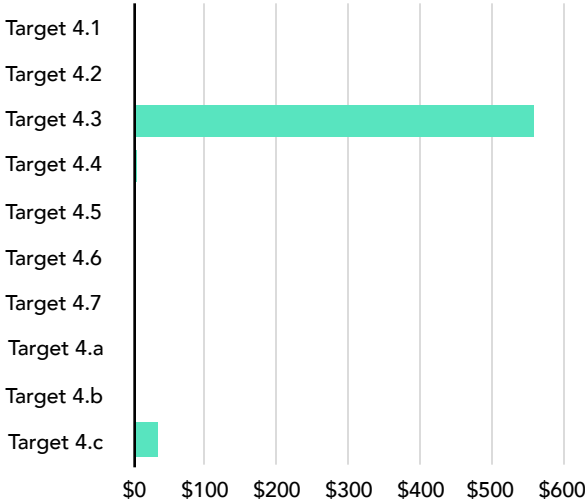
# Colombia invested 5% of its budget in Goal 4

Total funding for Goal 4 reached \$672 million in 2015, with 93% going solely to Higher Education (Target 4.3).

Education as a Percentage of Total SDG Funding



Education Funding by Target (USD Millions)



Source: AidData and the National Planning Department (DNP-Colombia) 2017

**Education**

Almost all financing for Goal 4 in Colombia's national budget went to higher education in 2015. While financing for other levels of education would likely be picked up in local budgets, it is difficult to identify regional disparities in education financing or financing priorities without a more comprehensive source of data on public spending.

**Infrastructure**

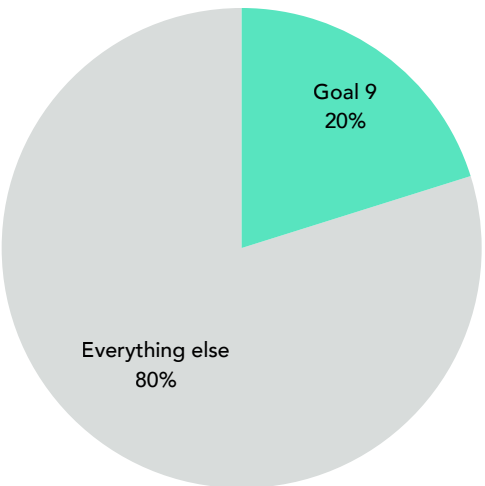
Infrastructure accounted for over half of the financing going to Goal 9 in 2015, with the majority of projects related to roads and transportation. Significant amounts of financing were also concentrated on industrialization (Target 9.2) and information and communications technology (Target 9.c).

SPOTLIGHT ON INDUSTRY AND INFRASTRUCTURE

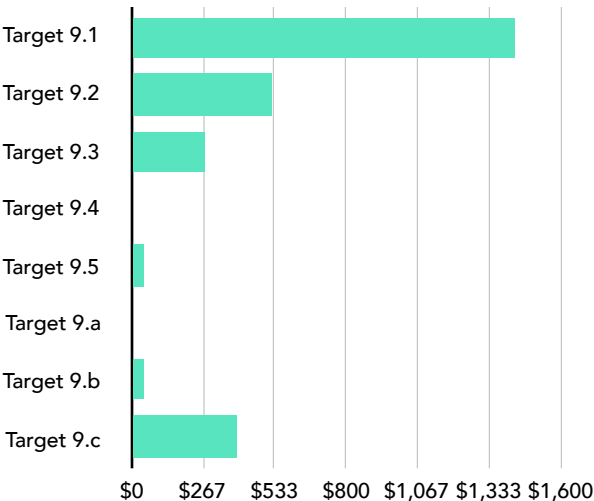
# Colombia invested 20% of its budget in Goal 9

Total funding for Goal 9 reached \$2.7 billion in 2015, with 53% going to Infrastructure (Target 9.1).

Industry as a Percentage of Total SDG Funding



Industry Funding by Target (USD Millions)



Source: AidData and the National Planning Department (DNP-Colombia) 2017

# Social Vulnerability Index (SVI)

## Identifying Pockets of Vulnerability in Colombia

How can the international community ensure that development projects reach those who need them most? We know that we need more detailed information about where vulnerable people live in order to target them effectively [1]. However, a lack of sufficiently disaggregated data makes identifying these populations difficult. With this in mind, AidData researchers, in collaboration with students at the College of William & Mary, have constructed a pilot index of social vulnerability, allowing us to identify pockets of vulnerability at the subnational level in Colombia using existing data sources.

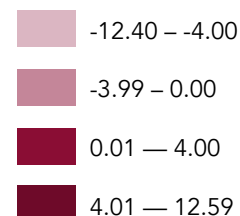
Social vulnerability measures how resilient people are to stressors, such as a natural disaster or disease outbreak. It uses a variety of factors like access to public services, education, age, disability, and minority status [2] to identify geographic locations where people are more vulnerable. A social vulnerability index (SVI) helps fill in the gaps of traditional poverty indices that focus primarily on income and often leave out important social considerations.

Our pilot index identifies vulnerability at the municipal level, allowing policymakers to target pockets of vulnerability within countries. Traditional indices only show vulnerability at the country level or by first-level administrative unit, but these broader statistics often mask cycles of neglect at a subnational level [3].

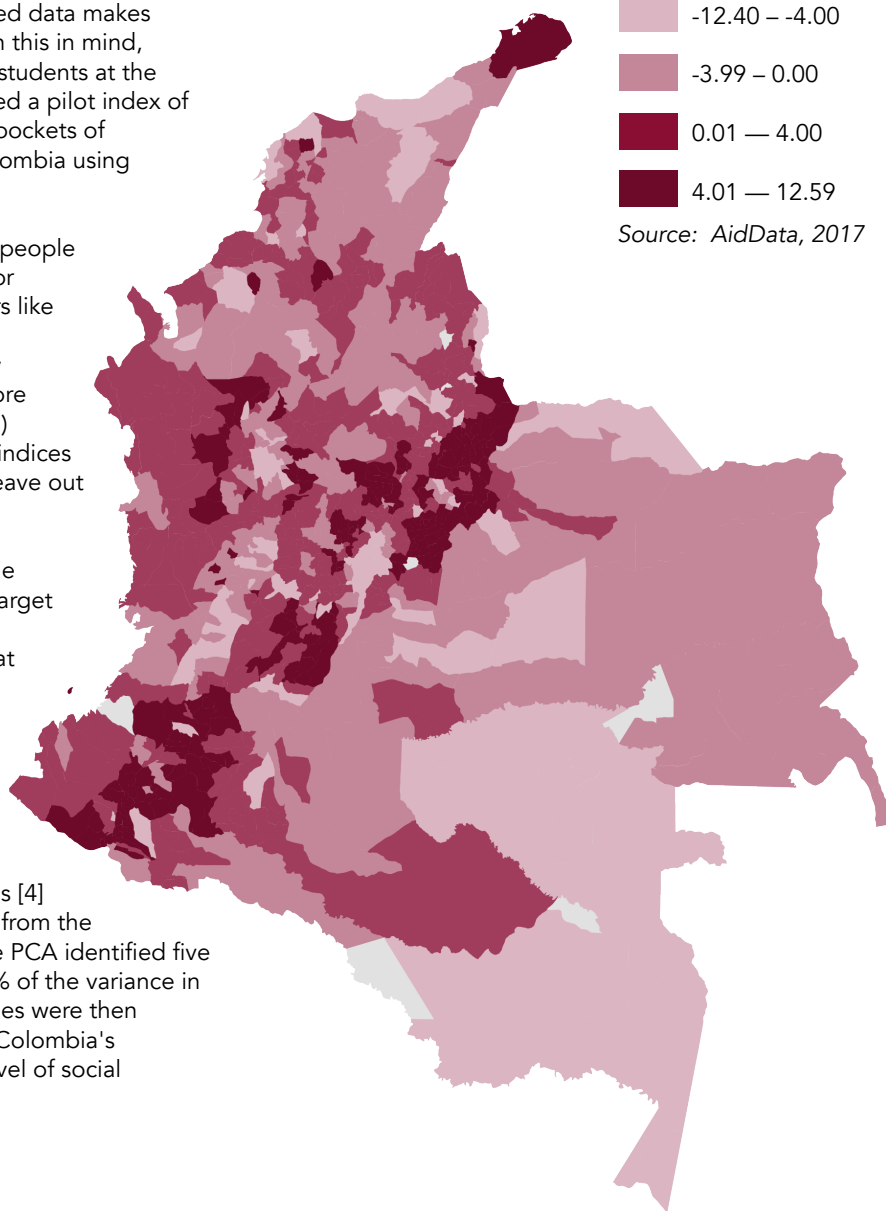
For our pilot index in Colombia, researchers generated index values by performing a principal components analysis [4] (PCA) on a selection of 26 variables drawn from the 2005 DANE national census survey [5]. The PCA identified five principal components that contributed 77% of the variance in the census dataset. These component values were then combined to create one score for each of Colombia's municipalities to determine their overall level of social vulnerability.

### Social Vulnerability by Municipality

SVI — The lightest colors (negative numbers) represent the least vulnerable people



Source: AidData, 2017



[1] <https://www.cgdev.org/blog/leave-no-one-behind-data-disaggregation-needs-catch>

[2] [http://www.iwr.usace.army.mil/Portals/70/docs/iwrreports/Social\\_Vulnerability\\_Analysis\\_Tools.pdf](http://www.iwr.usace.army.mil/Portals/70/docs/iwrreports/Social_Vulnerability_Analysis_Tools.pdf)

[3] Arnold, F. and H. Blöchliger (2016), "Regional GDP in OECD countries: How has inequality developed over time?", OECD Economics Department Working Papers, No. 1329, OECD Publishing, Paris

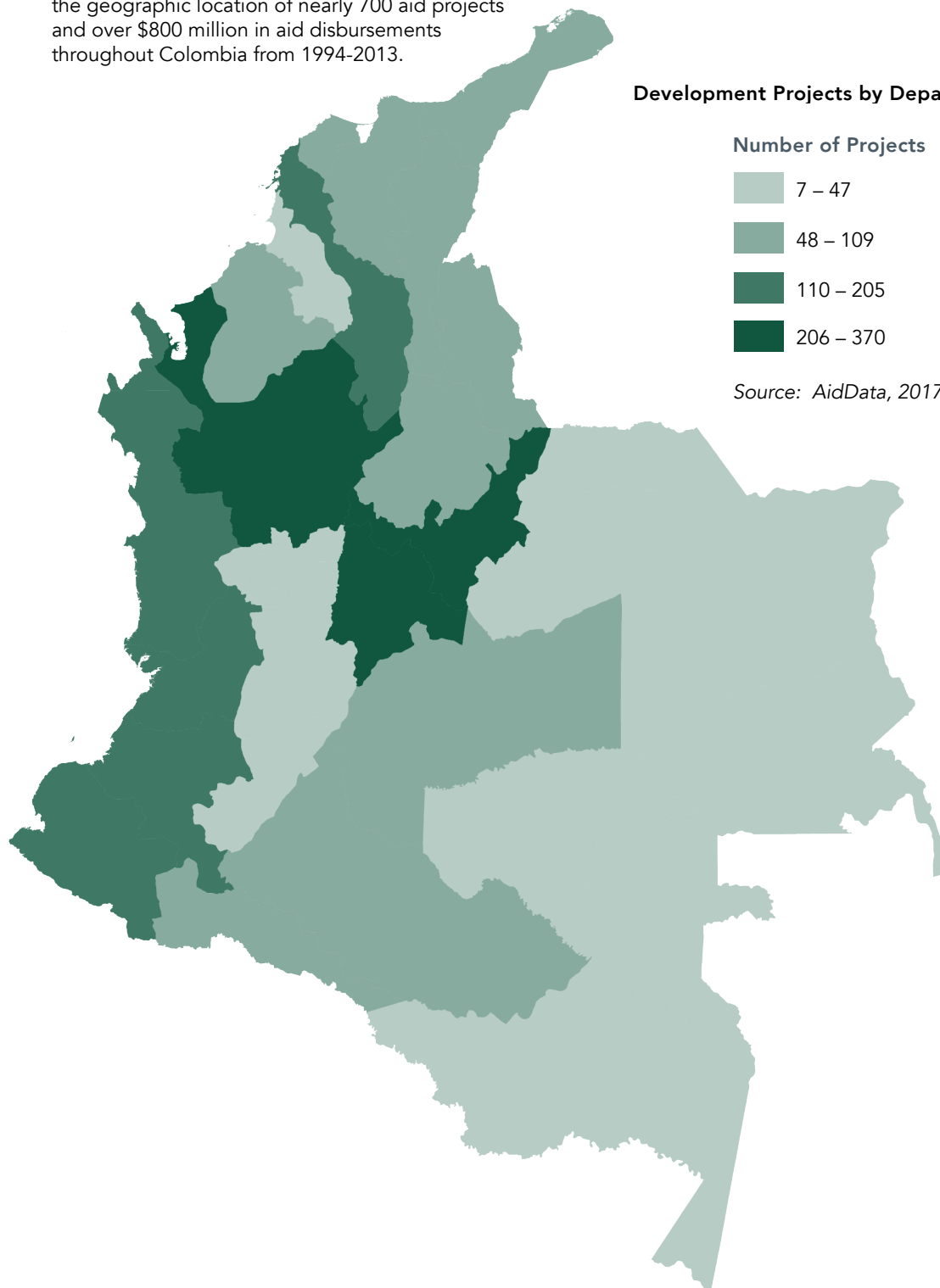
[4] <http://link.springer.com/article/10.1023/A:1009609710795>

[5] Minnesota Population Center. Integrated Public Use Microdata Series, International: Version 6.4 [dataset]. Minneapolis, MN: University of Minnesota, 2015.

After creating the index, social vulnerability scores were overlaid with geocoded information on aid projects in order to examine where concentrations of aid projects and dollars have intersected with areas of high social vulnerability. Through this analysis, we can gauge the attention being paid to particularly vulnerable areas within the country, both overall and by specific donors. This dataset on aid projects comes from the Colombia Aid Information Management System (AIMS) and includes the geographic location of nearly 700 aid projects and over \$800 million in aid disbursements throughout Colombia from 1994-2013.

One of the central tenets of the United Nations' Agenda for Sustainable Development 2030 and the Sustainable Development Goals is the promise to leave no one behind [6]. This index provides one way to shed light on whether governments and aid organizations are translating this pledge into concrete action and directing resources towards people and groups who are currently being left behind.

**Development Projects by Department, 1994-2013**



[6] [http://www.un.org/ga/search/view\\_doc.asp?symbol=A/RES/70/1&Lang=E](http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/70/1&Lang=E)

# Methodology

## Tracking Financing to the Sustainable Development Goals

The Sustainable Development Goals (SDGs) are poised to substantially influence the next 15 years of development finance (2015-2030) and, by some estimates, will require the international community to mobilize an additional \$1.5 trillion USD per year to meet financing goals. *Are development partners living up to their commitments? Where are the greatest shortfalls and surfeits in funding for sustainable development?*

Tracking and analyzing funding for the SDGs will be central to measuring progress. However, as aid reporting systems do not currently capture information on the distribution of financing for the SDGs, a coherent methodology is urgently needed. For this reason, AidData is developing a standardized coding schema to systematically track the resource envelope of financing going to each of the sustainable development goals and targets.

### Methodology

AidData's SDG coding methodology is based on an analysis of the text of development project descriptions. Since 2007, student researchers at AidData have assigned codes to over 800,000 project descriptions through a double-blind coding methodology, providing more granular data on project activities and purposes. This coding schema builds on the Organisation for Economic Co-operation and Development (OECD) Creditor Reporting System (CRS) categories and was designed to improve the quality and usability of our data by adding an additional layer of project-level detail in a standardized way across donors.

Adapting this methodology to measure funding to the SDGs involved three critical steps. The first step was to map the relationship between existing activity codes and SDG targets. To link AidData activities to targets, a team of student activity coders went through the 544 AidData activity codes and assigned SDG targets to each activity. AidData staff then reviewed the coding and arbitrated cases of disagreement among the coders.

After mapping activity codes to specific SDG targets, we next split aid projects across assigned activities. Using projects that had already been assigned activity codes, we split dollar amounts for a project evenly across all activity codes assigned to it. Although projects will have different distributions of dollar amounts across activities in practice, there is no reliable way to infer this given existing data.

Having split the dollar value of a project across unique activities, the next step was to distribute these activity-dollar amounts across the SDGs, using the mapping developed in step one. If an activity was linked to at least one SDG target, the entire value assigned to that activity was distributed evenly among assigned targets. If

an activity was not linked to any targets, then the financing was not counted toward the SDGs. This likely provides a conservative estimate of funding that contributes to the various SDGs.

### Shortcomings

Since this methodology is based on a pre-existing activity coding schema, its reliability largely depends on how closely activity codes correspond to SDG goals and targets. Overall, we found the distribution of financing to the SDGs at the goal level to be more reliable than the distribution at the target level. However, for certain goals like Goal 4 (Quality Education) activity codes seem to be a good match for SDG targets, and we are able to analyze the distribution of financing at both a goal and target level.

The largest discrepancy between activity codes and the SDGs was found for goals 12, 13, 14, and 15. In these cases, SDG goals and targets are more specific than the relevant activity codes, making it impossible to link more general activities to specific SDGs. For example, activity codes relating to the environment largely fail to differentiate among different aspects of environmental protection. For this reason, financing for Goal 13 (Climate Action), Goal 14 (Life Below Water), and Goal 15 (Life on Land) is significantly undercounted. Similarly, this coding schema is unable to identify most projects that are relevant to Goal 12 (Responsible Consumption and Production) because of a lack of specificity regarding sustainability in the activity codes.

In several instances, activity codes were more specific than the SDGs. Although there are numerous activity codes relating to rural development, there is no SDG goal or target that corresponds exactly, so these projects are only mapped to the SDGs when a more specific sector can be identified, such as rural agriculture or rural infrastructure.

### Next Steps

Although our pilot SDG tracking methodology provides the most detailed look currently available at funding going to the SDGs, a schema to directly code project descriptions to SDG goals and targets would provide a more reliable way of measuring financing, particularly at the target level. For this reason, AidData is currently developing and testing a comprehensive methodology to directly code project descriptions to the SDG goals and targets, scheduled to be completed by Fall 2017.

# About AidData

## **Mission**

AidData is a research lab at the College of William & Mary. We equip policymakers and practitioners with better evidence to improve how sustainable development investments are targeted, monitored, and evaluated.

We use rigorous methods, cutting-edge tools and granular data to answer the question: who is doing what, where, for whom, and to what effect?

## **Vision**

We live in an age of informational abundance. But decision-makers need help finding the signal in the noise — to target their resources where they can do the most good, to monitor progress over time, and to evaluate what works, what doesn't, and why.

By 2020, we want to see a cohort of leading development organizations make better-informed decisions at multiple stages of their programming cycles — from design and implementation to monitoring and evaluation — with rigorous methods, cutting-edge tools and granular data.

## **Our Work with Sustainable Development Data**

We help our partners improve how sustainable development investments are targeted — geographically and demographically — in order to translate resources into results.

We develop cutting-edge methods to pinpoint with greater accuracy which (vulnerable) groups of people stand to benefit most and least from specific development investments. We also monitor progress over time within these disadvantaged localities and demographic cohorts to ensure that no one is left behind.

Using these 'last mile' targeting methods, we help international development organizations more efficiently allocate resources to hard-to-detect pockets of need and opportunity.

**1** NO  
POVERTY



**2** ZERO  
HUNGER



**3** GOOD HEALTH  
AND WELL-BEING



**4** QUALITY  
EDUCATION



**5** GENDER  
EQUALITY



**6** CLEAN WATER  
AND SANITATION



**7** AFFORDABLE AND  
CLEAN ENERGY



**8** DECENT WORK AND  
ECONOMIC GROWTH



**9** INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



**10** REDUCED  
INEQUALITIES



**11** SUSTAINABLE CITIES  
AND COMMUNITIES



**12** RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



**13** CLIMATE  
ACTION



**14** LIFE BELOW  
WATER



**15** LIFE  
ON LAND



**16** PEACE AND  
JUSTICE



**17** PARTNERSHIPS  
FOR THE GOALS

