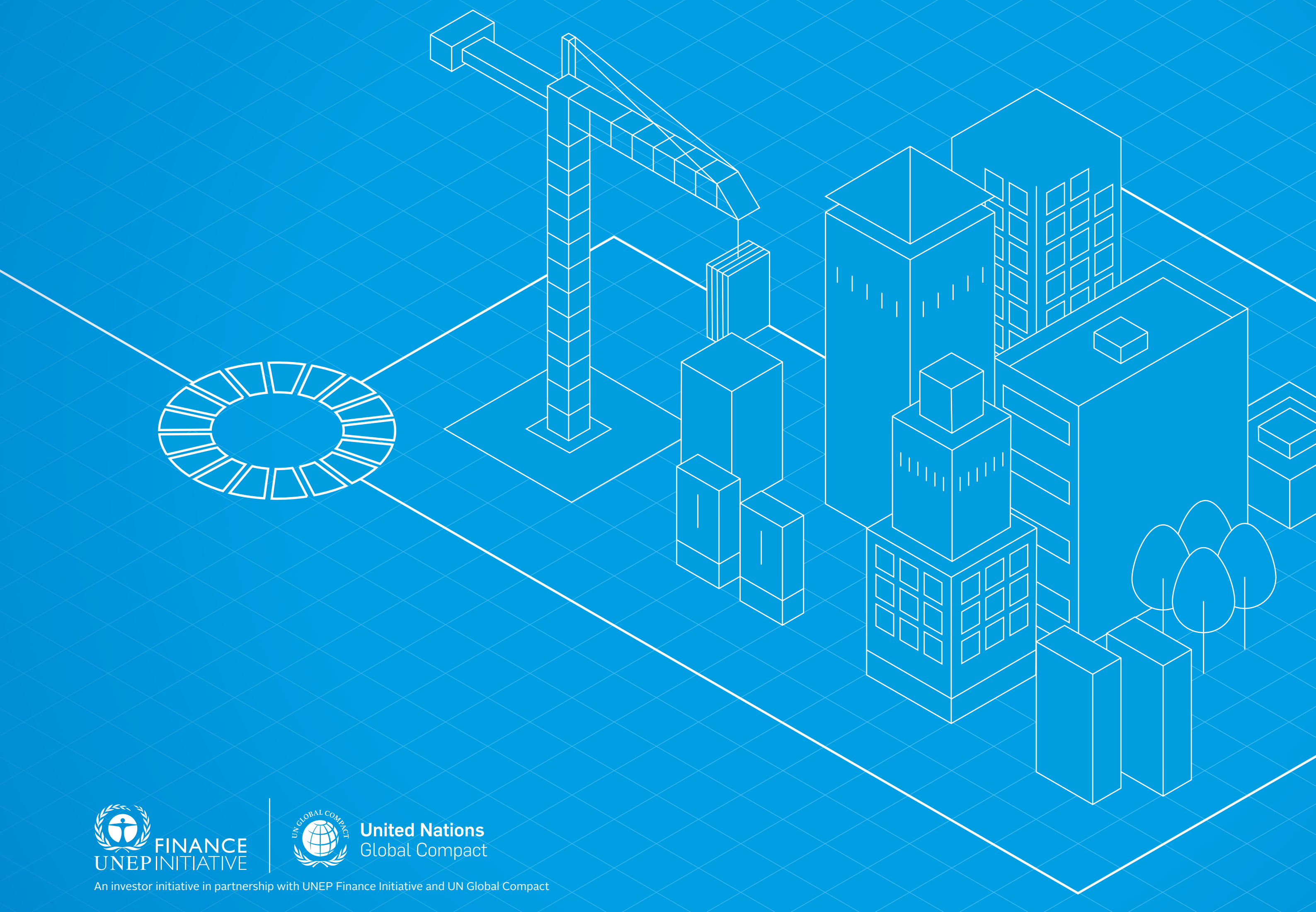
PRI Principles for Responsible Investment

ARE NATIONAL INFRASTRUCTURE PLANS SDG-ALIGNED, AND HOW CAN INVESTORS PLAY THEIR PART?



UNEP FINANCE INITIATIVE | United Nations Global Compact

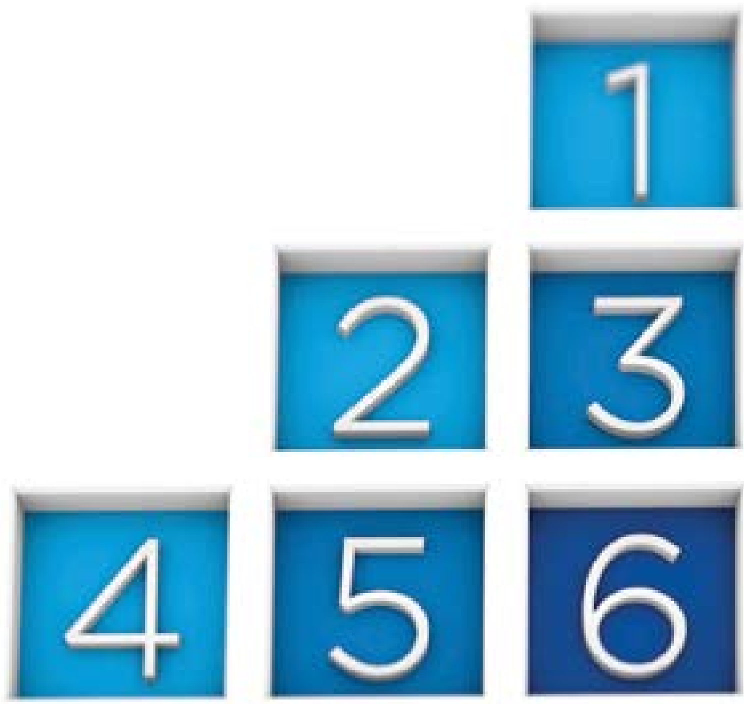
An investor initiative in partnership with UNEP Finance Initiative and UN Global Compact

THE SIX PRINCIPLES

PREAMBLE TO THE PRINCIPLES

As institutional investors, we have a duty to act in the best long-term interests of our beneficiaries. In this fiduciary role, we believe that environmental, social, and governance (ESG) issues can affect the performance of investment portfolios (to varying degrees across companies, sectors, regions, asset classes and through time). We also recognise that applying these Principles may better align investors with broader objectives of society. Therefore, where consistent with our fiduciary responsibilities, we commit to the following:

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.



PRI's MISSION

We believe that an economically efficient, sustainable global financial system is a necessity for long-term value creation. Such a system will reward long-term, responsible investment and benefit the environment and society as a whole.

The PRI will work to achieve this sustainable global financial system by encouraging adoption of the Principles and collaboration on their implementation; by fostering good governance, integrity and accountability; and by addressing obstacles to a sustainable financial system that lie within market practices, structures and regulation.

CONTENTS

EXECUTIVE SUMMARY

Investors are under increasing pressure to demonstrate that their investments support improved environmental, social and governance (ESG) outcomes, and infrastructure has an essential role to play in governments achieving their national sustainability goals. Investors and governments should therefore work together to ensure that proposed infrastructure projects help achieve those objectives.

The PRI has reviewed the national infrastructure strategies of six countries – the UK, Malaysia, Chile, Canada, Australia and Kenya – to assess the extent to which these strategies incorporate the Sustainable Development Goals (SDGs) and/or sustainability factors more generally. This research aims to highlight:

- the likelihood of these strategies resulting in more sustainable infrastructure projects or programmes;
- the investment opportunities this can create;
- the potential role for private infrastructure investors in working with governments to help achieve the SDGs.

Several countries already consider sustainability factors when shaping their overall infrastructure strategies and infrastructure project procurement and design processes. However, these considerations are not necessarily directly aligned with the SDGs, and action is further advanced at individual government agency or subnational authority levels rather than in national plans. Moreover, there is still limited engagement between infrastructure investors and governments on the type of projects and investment structures that can help achieve the desired sustainability outcomes.

RECOMMENDATIONS

- National governments should use the SDGs as a more explicit frame for their infrastructure planning. This will help to ensure that sustainability initiatives are based around clear and globally agreed goals and allow progress to be measured and reported in a clearer and more consistent manner. It will also send a stronger signal to investors about the relevance of integrating the SDGs into their own investment processes. As part of this process, there should be greater alignment and collaboration between different government departments.
- The SDGs also need to be more strongly considered when filtering national strategies down to the design, procurement and delivery of individual projects, to maintain focus on specific sustainability goals right down to the project level, where often ESG issues are considered only in terms of risk management. This in turn should drive investors to further their practices on these issues.
- Governments and infrastructure investors should engage each other more systematically to support greater alignment of interests on sustainability issues, as well as investment-limiting issues, such as whether projects are structured in a way that makes them bankable for investors.
- Where governments are slow to act, infrastructure investors can act now. Many are already doing so, whether selecting investments that can better result in positive SDG outcomes (or reduced negative SDG outcomes), setting KPIs for asset management that align with SDG targets and indicators or providing additional reporting and disclosure on the outcomes of their investments in relation to the SDGs.

INTRODUCTION

This report looks at how different governments are integrating the SDGs into their national infrastructure planning and programme delivery. Infrastructure investment has an essential role in achieving the SDGs – both in shifting away from activities or projects that undermine the SDGs, as well as flowing into projects that generate positive environmental and social outcomes in line with the goals.

New investment in infrastructure is critical not only to achieving SDG 9 on Industry, Innovation and Infrastructure, but also to the overall goals. The long-term nature of infrastructure investing lends itself well to the type of planning, construction and management of assets that will align with the SDGs. One challenge to overcome, however, is ensuring that infrastructure planning and project pipelines developed by governments around the world are sufficiently aligned with the SDGs and therefore provide investors with the right opportunities to invest in.

The report aims to help investors understand:

- the sustainability strategies through which potential infrastructure investment opportunities may emerge in a range of developed and emerging markets (or the lack thereof);
- how the SDGs and sustainability factors more broadly may become embedded in the regulatory framework for infrastructure investments in different countries;
- where there remain gaps between investor and policy maker interests and targets in relation to the SDGs, and what actions can be taken to narrow them.

We have chosen six countries – three developed (UK, Canada, Australia) and three emerging (Malaysia, Chile, Kenya) – to highlight the different ways in which strategic planning for infrastructure happens. Although far from exhaustive, they provide an insightful snapshot of the current and potential state of play.[1]

Sustainable Development Goals:

1 The countries were chosen in part based on the availability of discernible infrastructure and sustainable development strategies, to ensure coverage across most regions of the world, and because private investment has been recognised as an important player in infrastructure development. Research was based on the countries' various publicly-available national infrastructure plans and/or broader development strategies, associated media coverage and other open-source commentary, as well as their Voluntary National Reviews (where available) highlighting progress against the SDGs.

ANALYSIS

NATIONAL STRATEGY DEVELOPMENT

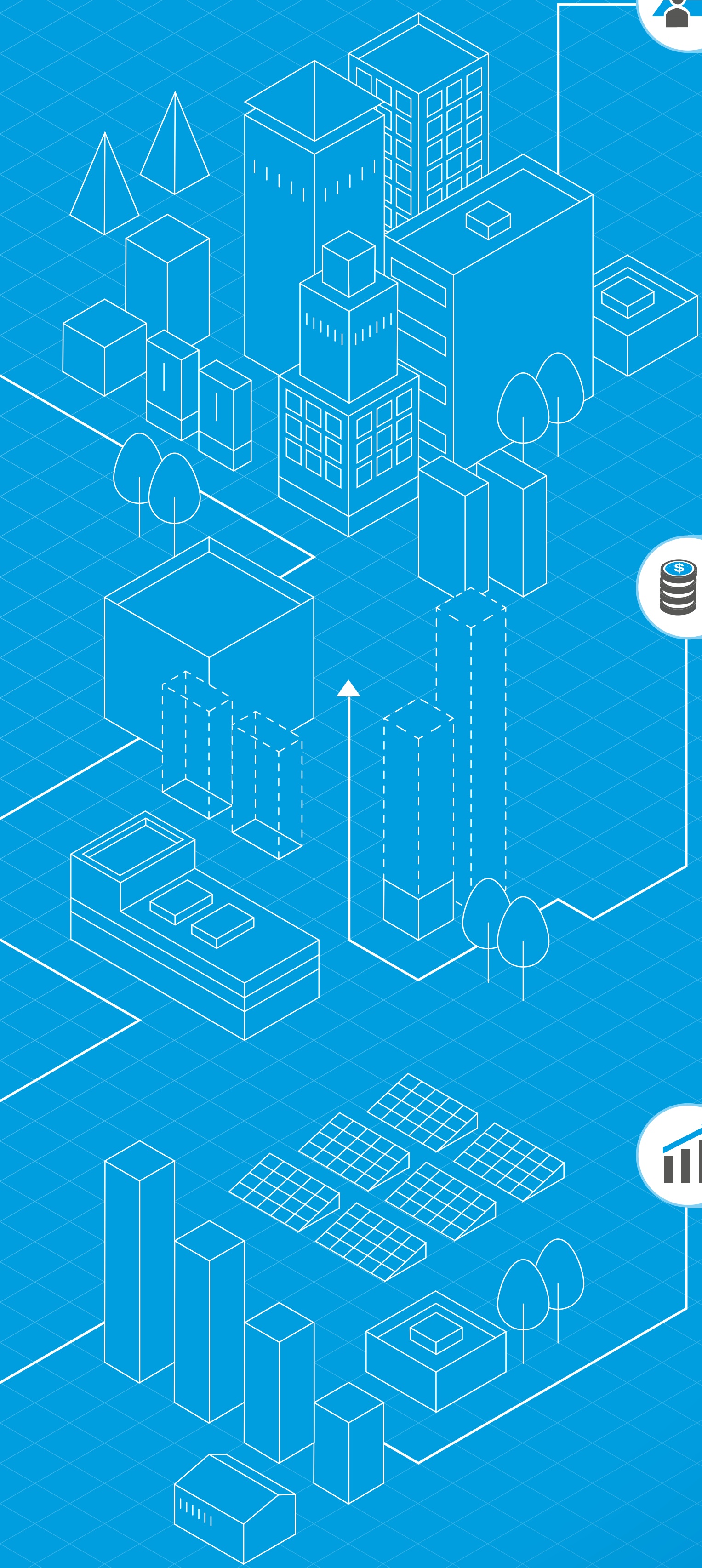
- General sustainability themes, particularly on climate change, underpin several strategies, and work is underway – for example, in the UK, Kenya and Canada – to link those themes and core elements of infrastructure plans more directly to the SDGs. More broadly, several countries are beginning to work the SDGs into individual government department plans, many of which also touch on infrastructure investment needs.
- That growing focus on the SDGs should in time foster a pipeline of infrastructure projects that place sustainability at their core. This will require investors to consider how their approach and commitment to the SDGs aligns with government priorities and allows them to take advantage of the opportunities.

MISMATCHED TIMELINES

- There are mismatches between the time horizons of some national infrastructure or development plans and the SDGs' 2030 target. Chile and Malaysia's plans are developed to coincide with shorter-term political cycles rather than using 2030 (or beyond) as a timeframe. Given the long-term nature of most infrastructure investing, this can create misalignments between government and investor interests.
- In other countries, such as the UK and Canada, some elements of strategic infrastructure planning look far beyond 2030. In these cases, the SDGs remain a useful yardstick to assess priorities and measure progress towards specific social and environmental outcomes.

PROJECT DEVELOPMENT

- Individual government agencies and subnational authorities are starting to select, procure and design projects using an SDG framework. This should also drive investors and their partners to more actively consider how SDG outcomes can add further value to existing ESG processes in project delivery.
- Some countries include sustainability factors at a basic level in project selection and procurement processes, but there is little formal evidence to suggest that these have been tied to an overarching SDGs framework.



PUBLIC-PRIVATE COOPERATION

- There is insufficient engagement between governments and infrastructure investors on how private money can be deployed in ways that support key sustainability objectives and deliver adequate returns. Changing political and social dynamics in many countries are placing question marks over the role of private finance in the delivery of public services and infrastructure, creating an additional headwind.
- More work is needed to resolve this tension and ensure that interests are aligned on the financial, sustainability and developmental elements of infrastructure projects. Engagement should be used alongside other tools (such as appropriate fiscal incentives and regulations) required to unlock more investment in sustainable infrastructure.

INVESTORS CAN DRIVE CHANGE FROM THE GROUND UP

- Some infrastructure investors are already aligning their activities more directly with the SDGs, regardless of government intervention or direction. Although approaches vary across investor types and geographies, common activities include assessing the SDG outcomes of infrastructure investments, and the development of KPIs and data gathering exercises to assess long-term performance against specific goals relevant to different projects.
- Not all private sector activities and interests can be aligned with those of governments, but the infrastructure investor community's take-up of the SDGs highlights a willingness to support critical government objectives to the extent that financial parameters allow.

PERFORMANCE MEASUREMENT

- Some countries report on their overall performance in relation to the SDGs through Voluntary National Reviews. However, how indicators are chosen (in large part dependent on countries' development priorities) and how progress is reported (often qualitatively rather than quantitively or using different statistical methodologies) is not consistent.
- Overall, there is limited data on the SDG performance of infrastructure projects and plans across different countries. Better ESG data in infrastructure investing is needed to compare projects and markets.

COUNTRY BY COUNTRY VIEW

Dashboard

	Do national infrastructure plans (or equivalent) reference the SDGs?	Are sustainability factors more broadly a key theme of national infrastructure plans?	Do timelines for national infrastructure strategy align with the SDGs?	How is infrastructure integrated in the country's national SDG plan or strategy?
UNITED KINGDOM	No	Yes. Core elements of the 2018 National Infrastructure Assessment (NIA) include a focus on renewable energy, sustainable consumption, better transport and resilience to extreme climate events.	In part – of the seven core proposals highlighted by the NIA, three have target dates for 2030. Other target dates go beyond 2030.	There is no single national SDG plan. The SDGs are embedded in each government department's annual plan, with infrastructure investment commonly highlighted as a critical element for the delivery of those plans.
CANADA	No	Yes. Social and green infrastructure are key pillars of the plan, while sustainability is referenced heavily across the document.	The current Long-Term Infrastructure Plan covers the period from 2016 to 2028. The country has a separate 2030 agenda for achieving the SDGs.	The most recent Voluntary National Review on progress towards the SDGs highlighted the need for different energy and transportation models. Individual government departments must also track their progress towards the SDGs, although it is unclear to what extent infrastructure investment is considered integral to the delivery of departmental goals.
AUSTRALIA	No	Yes, the most recent Australian Infrastructure Plan and Audit (from 2016 and 2019 respectively) emphasise the need for more sustainable and equitable infrastructure, particularly in sectors such as energy, transport and telecommunications, to support inclusive economic development.	In part. The latest Australian Infrastructure Plan covers infrastructure policy needs for the period from 2016 to 2021. The Australian Infrastructure Audit takes a longer-term view, to 2034, and therefore its aspirations could be aligned with the SDGs.	There is no single national SDG plan: individual government departments have lead responsibility for specific goals. Infrastructure investment underpins many of the actions being taken to deliver progress against the goals, particularly on cross-cutting initiatives which target linkages between different SDGs.

	Do national infrastructure plans (or equivalent) reference the SDGs?	Are sustainability factors more broadly a key theme of national infrastructure plans?	Do timelines for national infrastructure strategy align with the SDGs?	How is infrastructure integrated in the country's national SDG plan or strategy?
MALAYSIA	No	Limited. There is no national infrastructure plan. However, the country's 11th Malaysia Plan, the government's core national socio-economic development plan, has sustainability and resilience and strengthening infrastructure among its six key pillars.	No. The 11th Malaysia Plan covers the period from 2016 to 2020. A separate three-phased approach aims to develop a prioritisation framework for the SDGs by 2020, achieving the government's main goals by 2025 and the remaining goals by 2030.	The government's national SDG strategy maps overall progress against the SDGs and the achievement of selected targets. Resilient infrastructure is seen as a key element in achieving the SDGs. The country's latest Voluntary National Review references the 11th Malaysia Plan but makes no specific ties between its targets and those of the country's SDG strategy.
CHILE	No	Limited. The government has worked with multilateral organisations to improve sustainability in project design and delivery, but overall planning (except for climate change) has little direct reference to sustainability.	No. The government's latest national infrastructure plan only covers the period from 2018 to 2022 – it is aligned with the current presidential term. The country's 'Agenda 2030' aligns with the SDGs, but infrastructure investment is a relatively small component.	Limited. The focus of the country's 'Agenda 2030' is on social issues such as indigenous rights, health, and children's rights. Climate change is also a key topic.
KENYA	Not directly, but the country's third Medium Term Plan (MTP) under its overall Kenya Vision 2030 strategy – the country's social and economic development strategy - seeks to align all policies and programmes with the SDGs.	Limited (see previous entry).	In part. Kenya Vision 2030 aims to achieve progress on key economic and social development targets by 2030. Individual MTPs within the strategy cover shorter timeframes (typically five years).	Infrastructure is the first 'key' pillar under the current MTP, and by extension the country's aspirations with regards to the SDGs, with a major focus on energy and transportation. However, broader infrastructure considerations under the plan are limited.

See Appendix 1 for further details and country by country overview

RECOMMENDATIONS

These country snapshots highlight that progress towards embedding the SDGs or sustainability factors more generally in national infrastructure planning has been made, but clearly more can be done. Specifically, the PRI recommends that:

GOVERNMENTS INTEGRATE SDGS INTO INFRASTRUCTURE DEVELOPMENT PLANS

Governments should use the SDGs to underpin national infrastructure planning over the next 10 years. This will help to ensure that sustainability outcomes are aligned with longer term globally agreed targets rather than shorter term political cycles, and that progress can be consistently measured and communicated. This should not be a big leap: sustainability and resilience issues are increasingly identified in future infrastructure development, while individual government departments and agencies in several countries are already integrating the SDGs into their planning. This can be achieved through:

DEPARTMENTAL COORDINATION

Greater coordination is required between government departments – either from the national infrastructure strategy down to departments, or from departmental plans informing the development of national infrastructure strategy. This will help ensure that sustainability priorities and goals are aligned; data is gathered consistently; and market signals on these issues are properly coordinated with other policy tools (such as green finance strategies and fiscal incentives). By doing so, investors will be much clearer about the likely long-term infrastructure project pipeline, and the type of outcomes that governments hope to achieve.

AIMING FOR NET ZERO IN THE UK

The UK should ensure that all new infrastructure planning and projects are consistent with its 2050 net-zero carbon emissions ambitions, and that, where appropriate, they help build resilience locally and nationally to climate-related natural disasters. This would mean that infrastructure development directly contributes to the achievement of SDG 13 on Climate Action.

This will require stronger integration of infrastructure planning (currently mostly led by the Treasury) with, for example, the UK's Green Finance Strategy (led by the Department for Business, Energy and Industrial Strategy), to ensure the right project pipeline is developed and the right opportunities for private finance to participate are created. This could also include steps such as developing a national capital-raising plan, designed to align UK infrastructure development with delivery of the clean growth strategy, bolstering the link between emissions reduction and regional development. It would also include developing a granular five-, 10- and 15-year pipeline with local authorities to give investors clear visibility of investment horizons.

COLOMBIA'S INTER-SECTORIAL COMMISSION ON CLIMATE CHANGE (CICC)[2]

Colombia's CICC provides a good example of joined-up government coordination and planning in relation to the country's infrastructure needs to meet its climate change goals, although not specific to the SDGs. Through the Ministry of the Environment and Sustainable Development and the National Planning Department, the CICC brings together ministries and regional authorities, government climate policy and national and sub-national action. There is also a clear remit for fostering dialogue with and communicating investment opportunities to the private sector.

PROJECT-LEVEL INTEGRATION

SDG integration at a national strategic level needs to filter down to the project level. ESG factors are being increasingly included in infrastructure procurement, design and delivery processes in many countries. These can be further strengthened by including the SDGs, or specific 'lenses', such as on climate or social equity[3], allowing a project's design, delivery and funding to be assessed in terms of its potential to deliver negative and positive SDG-linked outcomes. This can ensure that better projects are selected, drive investors and developers to integrate such 'lenses' into their own investment processes so they can better respond to government tenders, and ultimately deliver projects that meet governmental and social expectations.

2 https://www.minambiente.gov.co/index.php/temas-cambio-climatico/4141-la-comision-intersectorial-de-cambio-climatico-aprueba-su-plan-de-accion-para-el-periodo-septiembre-2019-septiembre-2020

3 See, for example, the G20-backed Global Infrastructure Hub's Inclusive Infrastructure and Social Equity tool, or the Canadian government's Climate Lens assessment for infrastructure projects.

GOVERNMENTS AND INSTITUTIONAL INVESTORS ENGAGE MORE

Infrastructure investors should seek ways to engage more proactively with government and relevant authorities and intermediaries (for example, multilateral institutions and policy organisations) to ensure that priorities and actions are better aligned to the SDGs. There are already examples of where such engagement can happen, such as the Canada Infrastructure Bank[4] and the UK's National Infrastructure Commission. However, such efforts should become more systematic: investors can often only invest in infrastructure projects which are commissioned by governments and on timeframes dictated by them. If private capital is to play a major role in delivering infrastructure projects to help achieve the SDGs, investors should push to ensure that the projects being developed can fully align with the goals.

CANADA INFRASTRUCTURE BANK (CIB)

The Canadian government has established the CIB with the aim of bringing in private investors to support "infrastructure projects that are in the public interest". Green infrastructure is one of the priorities under the scheme. The body is intended to be a platform for building stronger engagement and relationships between private investors and all levels of government in Canada. The CIB will only support projects brought forward by the authorities which have the potential for revenue generation and to attract private investment.

INSTITUTIONAL INVESTORS INTEGRATE SDGS INTO INVESTMENT PROCESS

Beyond government engagement, investors can integrate the SDGs into investment processes and strategies to further reduce investment risk, create value and opportunities and drive change in government strategies and regulatory frameworks from the ground up. Based on our engagement with infrastructure investors, this could include:

- **Product development**
  Building funds or portfolios that seek to contribute to specific SDGs through the type of project invested in, or the way the project is managed. Funds investing solely in renewable energy, for example, can contribute to SDG 13 on Climate Action assuming a full understanding of positive and negative outcomes is developed and acted upon as appropriate.

- **Performance measurement**
  Measuring the performance of assets or funds against relevant SDG targets and indicators and using that to assess asset manager performance and compensation. Given that many infrastructure investments are held for over 10 years, the 2030 horizon for the SDGs provides a long-term backdrop against which to do this.

- **Improved disclosure**
  Increasing disclosure to investors and external stakeholders on the outcomes generated through investments and their contribution to the SDGs. Many infrastructure investors regard the SDGs as an effective tool for communicating the impact of their investments; the challenge is ensuring that this is not superficial but is based on clear, consistent and repeatable metrics.

Such activities can set a clear example and deliver a strong message to governments by delivering projects in a way that aligns with the SDGs, even in markets where sustainability considerations may not be so advanced in infrastructure planning. This could help influence future government planning or regulatory cycles to better incorporate the SDGs.

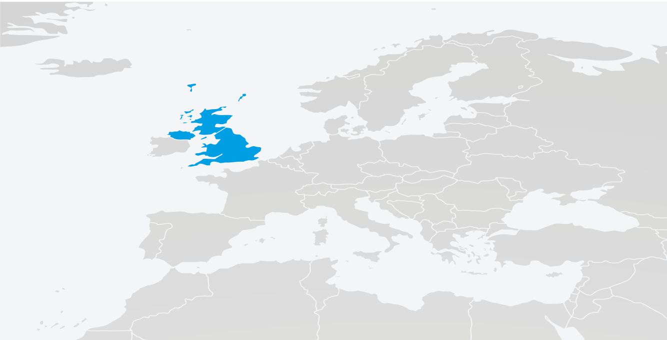
Similarly, avoiding projects that are not aligned with the SDGs or broader sustainability goals, or not investing unless they are redesigned to become more sustainable, can also shape government planning.

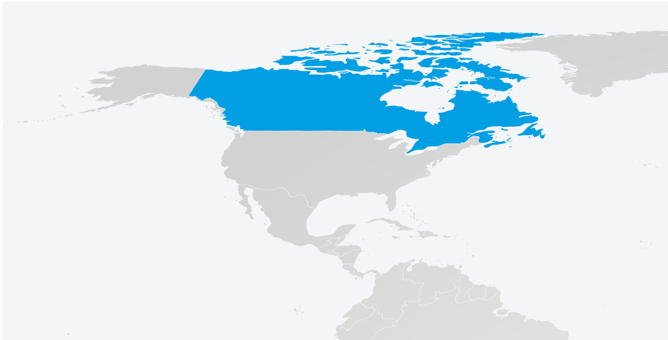
PERFORMANCE IS MEASURED CONSISTENTLY

Further efforts to provide more consistent data relevant to the SDGs is needed at the government and investor level. Various initiatives, such as the OECD's Infrastructure Data Initiative, have been established to fill the gap, but this is an ongoing and lengthy process. Not all SDG targets and indicators will be relevant for every infrastructure investment or investor. However, better government datasets (whether through the Voluntary National Reviews or other programmes) can provide strong indications of where investors could focus their efforts to achieve positive outcomes (or avoid negative ones) and better benchmark different projects. Conversely, better data from investors can help drive more consistent reporting to and communications with stakeholders.

4 https://cib-bic.ca/en/

APPENDIX 1: INDIVIDUAL COUNTRY ANALYSIS





UK

National infrastructure planning in the UK falls under the Cabinet Office and the Treasury, through bodies such as the National Infrastructure Commission (NIC) and the Infrastructure and Projects Authority (IPA). In the broadest terms, the NIC considers the country's long-term infrastructure needs, while the IPA is responsible for the overall infrastructure project delivery system.

The NIC's remit is to develop a "long-term vision for high quality, good value, sustainable economic infrastructure", to which the government should respond by developing a formal infrastructure strategy. The current Conservative government, led by Prime Minister Boris Johnson, is due to announce this strategy in 2020, but has already committed to over £600bn in new spending on infrastructure with the intention to 'level-up' the country from a socio-economic development perspective.

The seven core proposals of the NIC's first National Infrastructure Assessment (NIA), published in 2018, can easily be connected to a range of SDGs. The target dates to achieve several of these proposals also align with the goals' 2030 horizon. The IPA's National Infrastructure Delivery Plan highlights the importance of whole-life cost analysis to ensure that sustainability factors are better accounted for in project design and delivery. The NIC's work does not include specific reference to the SDGs, nor do they feature in the IPA's plan or broader mission statement.

Each UK government department has, however, been required to embed the SDGs in its annual Single Departmental Plan, which outlines the key issues they face for the year ahead. Here, there are references to multiple infrastructure investments that help deliver on the plans' SDG objectives. For example, the Ministry of Housing, Communities and Local Government highlights the need for investment in better local transport infrastructure to ensure the sustainability of local communities, in line with SDG 11 on Sustainable Cities and Communities.

CANADA

Infrastructure Canada[5] is a federal government department responsible for the development of national infrastructure policy and programme delivery; it falls under the remit of the Ministry of Infrastructure and Communities. In 2016, the body published Investing in Canada: Canada's Long-Term Infrastructure Plan, a CAD$180bn, 12-year investment plan, outlining the federal government's priorities for infrastructure development.

The plan's core elements, such as green infrastructure, social infrastructure and a focus on sustainable communities, can be tied to multiple goals even though it does not reference the SDGs directly. It also details the ways in which individual government departments will track progress against programmes highlighted in the strategy, using metrics which are related to sustainability and are closely connected to many of the SDGs' individual indicators.

The federal government in Canada has other initiatives that seek to promote more sustainable infrastructure investments. For example, Canada's Expert Panel on Sustainable Finance[6], a body established to research how the local financial system can be aligned with the country's long-term economic and climate goals, highlighted the need to align Canada's infrastructure strategy with its long-term sustainable growth objectives and leverage private capital in its delivery.

Finally, the country's 2018 Voluntary National Review highlighted the need for investment in new energy and transportation models. The federal budget in 2018 also established a dedicated SDG unit within the federal government to support implementation of the country's 2030 agenda and to track the progress of different ministries and government agencies against the goals.

5 https://www.infrastructure.gc.ca/index-eng.html

6 https://www.canada.ca/en/environment-climate-change/services/climate-change/expert-panel-sustainable-finance.html

AUSTRALIA

Strategic planning for and review of Australia's infrastructure needs at a national level lies with Infrastructure Australia, an independent body established by the federal government in 2008. It is accountable to the Ministry for Infrastructure, Transport and Regional Development.

The organisation's Infrastructure Plans (the latest of which was prepared in 2016) and Infrastructure Audits (the most recent being in 2019) assess the country's future infrastructure needs (the latter) and the policies required to fulfil them (the former). Sustainability – in terms of social inclusion and the environment – has become increasingly prominent in the latest reports. For example, the Australian Infrastructure Audit 2019 included coverage of social infrastructure for the first time, highlighting its significance to the country's growth and development. This is also reflected at the individual project level: the economic, social and environmental value is one of the three major components by which Infrastructure Australia assesses the merits of large-scale national projects.

There is little direct correlation between Infrastructure Australia's work and the various company, public and intergovernmental initiatives that support Australia's overall SDGs agenda. However, a strength of Australia compared to many other countries is the quality and depth of data provided to measure progress against the SDGs. The government has a live database of SDG-indicator-specific information across all 17 goals.

The Bureau of Infrastructure, Transport and Regional Economics has developed a national infrastructure data collection and dissemination plan. As part of this, for example, the Australian Urban Research Infrastructure Network draws on 3,500 datasets from 90 different sources to directly inform reporting against SDG target 9.1 on the development of quality of infrastructure.

MALAYSIA

Malaysia has no formal national infrastructure plan or strategy. However, strengthening infrastructure is one of six key "thrusts" of the government's 11th Malaysia Plan. This plan, covering the period from 2016 to 2020, lays out the steps needed to transition Malaysia from a developing to a high-income economy, and falls under the direct supervision of the Prime Minister and his staff.

Investment in new infrastructure is also critical to other pillars of the 11th Malaysia Plan, such as a focus on green growth, enhanced economic sustainability and resilience, and increased inclusiveness and reduced income inequality. There is no direct mention of the SDGs in the plan, but the six key "thrusts" can clearly be aligned with several of the goals. The Malaysian government has also developed its own indicators to measure achievement against the plan's targets, many of which could align directly with SDG indicators.

Malaysia's most recent Voluntary National Review further underlines how the goals have helped to shape the priorities of the 11th Malaysia Plan. The 12th Malaysia Plan, due to start in 2020, therefore represents a clear opportunity to more clearly align strategic planning with the SDGs, particularly as the National SDG Council also sits under the direct supervision of the Prime Minister. This includes aligning the specific targets or indicators to measure progress. On this front, the government has made some progress towards ensuring that datasets are available for all SDGs. For example, it claims to soon be able to provide data against all the specific indicators for SDG 9 on Industry, Innovation and Infrastructure.

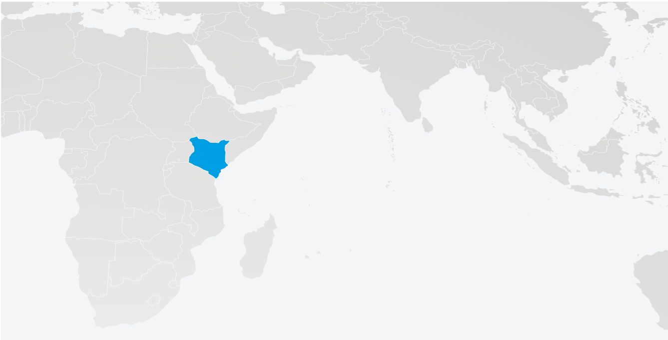
CHILE

The government in June 2019 announced a new national infrastructure plan to cover remainder of the current presidential term, up to 2022. This reflects the short-term nature of Chilean infrastructure planning, a point highlighted by a 2017 OECD review of the country's infrastructure governance system.

Details of the new plan are light, but largely focus on greater transport connectivity, particularly new road and airport concessions. There is no reference to the SDGs or indeed to broader sustainability issues as a core driver behind the plan.

However, at an individual project level, the Ministry of Public Works, which leads most major infrastructure development in the country, has worked with development finance institutions such as the InterAmerican Development Bank (IDB) to strengthen its capabilities for incorporating sustainability factors into project planning and design. The government is also considering the use of financial instruments such as green and social impact bonds as a way of financing future infrastructure projects.

Except for specific commitments on SDG 13 on Climate Action, including more renewable energy and greater resilience to physical climate risks, infrastructure investment is also a relatively small component of the country's 'Agenda 2030' for achieving the SDGs.



KENYA

Strategic infrastructure planning in Kenya falls under the umbrella of Kenya Vision 2030, the country's overall social and economic development strategy, which predates the SDGs. The government works towards the overall goals of Kenya Vision 2030 through individual five-year Medium Term Plans (MTPs). The country is on its third MTP, covering the period from 2017 to 2022.

This MTP's core aims are to develop a sustainable and resilient economy. Infrastructure is the first 'key' element, with a core focus on transport and information communication technologies. For example, the MTP is targeting the expansion of aviation and port facilities, railways and road infrastructure. An increase in renewable energy generation, nuclear power generation, and greater grid stability are also important features. This aligns with broader government efforts to develop a framework for making climate change a central part of strategic planning, by assessing infrastructure projects partly on their resilience to climate risks.

The MTP also aims to explicitly align the goals of Kenya Vision 2030 with the SDGs: "The domestication and integration of the SDGs is embedded in this MTP III, Sector Plans and County Integrated Development Plans." To this end, the government created a special SDGs unit in 2016 to serve as a focal point for action on the goals, and all relevant national and sub-national authorities will be required to report on performance against specific SDG indicators.

APPENDIX 2: RESOURCES

Further details on individual country strategies can be found using the following links:

- UK National Infrastructure Assessment
- Investing in Canada
- Towards Canada's 2030 Agenda National Strategy
- Australian Infrastructure Plan
- Eleventh Malaysia Plan 2016 - 2020
- SDGs Knowledge Platform (Malaysia)
- Presidente Sebastián Piñera anunció Plan Nacional de Infraestructura en Cuenta Pública 2019
- Chile Agenda 2030
- Kenya Vision 2030

CREDITS

AUTHOR:
Simon Whistler, PRI

EDITOR:
Jasmin Leitner, PRI

DESIGN:
Will Stewart, PRI

The Principles for Responsible Investment (PRI)

The PRI works with its international network of signatories to put the six Principles for Responsible Investment into practice. Its goals are to understand the investment implications of environmental, social and governance (ESG) issues and to support signatories in integrating these issues into investment and ownership decisions. The PRI acts in the long-term interests of its signatories, of the financial markets and economies in which they operate and ultimately of the environment and society as a whole.

The six Principles for Responsible Investment are a voluntary and aspirational set of investment principles that offer a menu of possible actions for incorporating ESG issues into investment practice. The Principles were developed by investors, for investors. In implementing them, signatories contribute to developing a more sustainable global financial system.

More information: www.unpri.org

PRI Principles for Responsible Investment

The PRI is an investor initiative in partnership with UNEP Finance Initiative and the UN Global Compact.

United Nations Environment Programme Finance Initiative (UNEP FI)

UNEP FI is a unique partnership between the United Nations Environment Programme (UNEP) and the global financial sector. UNEP FI works closely with over 200 financial institutions that are signatories to the UNEP FI Statement on Sustainable Development, and a range of partner organisations, to develop and promote linkages between sustainability and financial performance. Through peer-to-peer networks, research and training, UNEP FI carries out its mission to identify, promote, and realise the adoption of best environmental and sustainability practice at all levels of financial institution operations.

More information: www.unepfi.org

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United Nations Global Compact

The United Nations Global Compact is a call to companies everywhere to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption, and to take action in support of UN goals and issues embodied in the Sustainable Development Goals. The UN Global Compact is a leadership platform for the development, implementation and disclosure of responsible corporate practices. Launched in 2000, it is the largest corporate sustainability initiative in the world, with more than 8,800 companies and 4,000 non-business signatories based in over 160 countries, and more than 80 Local Networks.

More information: www.unglobalcompact.org

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