New Challenges for Russia's Foreign Aid and Its Contribution to the Sustainable Development Goals¹

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Abstract

The article discusses current trends in the Russian practice of international development assistance (IDA). Despite international isolation, the Russian government continued to increase its allocations for official development assistance (ODA), which, from 2015, amount to about USD1 billion annually. The author identifies key problems in the field of IDA related to monitoring and evaluation, the achievement of the Sustainable Development Goals (SDGs) and interaction with the business sector. The author describes the actions of the government in its quest to solve these problems. Special emphasis is placed on a comparative analysis of the SDG indicators with indicators of national development goals until 2024. This makes it possible to link Russian goals with international priorities. The theoretical basis of this study is the 'systemic change' and 'scaling up approach', which are often used in research on development economics. A "large-scale approach" allows us to measure the scale of Russia's participation in construction and installation work in terms of the number of allocated resources, the number of stakeholders involved, geographical coverage, etc. The "systemic change" approach explains how Russia's development cooperation activities are aligned with national goals and the SDGs, as well as the transformation in the structure and dynamics of the system, which leads to an impact on the material conditions or behavior of stakeholders.

In conclusion, the author reflects on the prospects for the creation of a national monitoring and evaluation system in the area of IDA, as well as on the possibilities of contributing to the achievement of the SDGs by 2030. One of the directions could be increased participation in the formation of new international development institutions, including the creation of the New Development Bank (NDB) and the Asian Infrastructure Investment Bank (AIIB) along with the expansion of bilateral programs in the field of international development assistance.

Key words: sustainable development goals (SDGs) monitoring and evaluation (M&E); international development assistance (IDA); national monitoring and evaluation systems; aid effectiveness; Russia

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Introduction

In recent years, Russia's financial contributions to official development assistance (ODA) have significantly increased, reflecting Russia's growing interest in regional and global development cooperation. On 20 April 2014, the Government of the Russian Federation adopted the Con-

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cept of the Russian Federation's State Policy, in which national objectives and priorities were officially declared. This concept replaced the concept that had been approved in 2007 after Russia's first presidency in the Group of 8 (G8) club of global donors. Russia's hosting of the G8 summit in 2006 greatly influenced the national ODA agenda and the first concept as well [Bylina et al., 2007].

In spite of the ODA policy agenda — as formulated in the Concept of the Russian Federation's State Policy in the Area of International Development Assistance (2014) (hereafter ODA Concept 2014) — and its strong focus on debt relief, education and health [Government of the Russian Federation, 2014], the Russian government still has not fully been able to articulate a national approach to ODA. The Russian government is cooperating with the Organisation for Economic Co-operation and Development's Development Assistance Committee (OECD-DAC) by providing its ODA statistics on annual basis. Moreover, it supports a dialogue with the global south through the BRICS (Brazil, Russia, India, China and South Africa) format in which countries identify themselves as emerging donors. All of these trends, as well as the external pressures associated with the 2030 sustainable development goals (SDGs) agenda, the private sector, and the transformation of international development aid architecture challenge current Russian development aid politics.

The Russian government has not yet passed a special national law on compliance with the SDG commitments. However, some of the SDGs coincide with the national priorities introduced in the Presidential May Decree of 2018 [President of Russia, 2018] at the regional and country levels. The 2030 Agenda for Sustainable Development, adopted by the United Nations (UN) in 2015, puts a special focus on follow-up and review processes at the national and global levels. Thus, I argue that the achievement of the SDGs by 2030, as well as national priorities by 2024, requires strengthening the national ODA monitoring and evaluation (M&E) system to substantially increase the effectiveness and efficiency of Russian aid abroad and reduce excessive levels of bureaucracy.

In this article, research on Russia's development assistance is rooted in theoretical fields related to "systemic change" [Humphrey et al., 2014] and "scaling-up" approaches [WBCSD, 2013]. The scaling-up approach makes it possible to measure the scale of Russia's engagement in the markets of developing countries in terms of the amount of resources allocated, the number of people reached, the geographic footprint, and so on. Although economies of scale and returns on political investment are important for the Russian government, scale implies nothing specific about developmental impact. That is why the systemic change approach is useful for explaining how Russia's development cooperation activities align with national goals, the development goals of recipients, and the SDGs. It implies transformation in the structure or dynamics of a system, which in turn leads to impacts on the material conditions or behaviours of large numbers of stakeholders. It aims to catalyze change with spillover effects that have broader direct and indirect impacts [Ruffer, Wach, 2013]. This approach helps to describe the complex nature of Russia's engagement in international development and reveals the issues, challenges and impacts that have a systemic change effect [Harich, 2010].

In order to reveal both the systemic change and scale-up effects of Russia's ODA projects, this article discusses M&E issues, the difficulties in achieving the SDGs, as well as Russian business, which is also contributing to scaling-up and systemic change approaches in Russia's ODA projects. While each of these issues has been partly considered in papers by Russian researchers [Larinonova, 2019; Maximova, 2015; Rakhmangulov, 2010], this paper analyzes these issues in light of new factors in the national and international agenda.

Russia as a Global Donor

The Soviet mode of ODA engagement was mainly associated with providing financial resources to socialist countries and low-income economies in exchange for their political support in the international arena [Bartenev, Glazunova, 2013]. After the collapse of the USSR, Russia's position in the international development cooperation arena dramatically changed. In the 1990s, during a tumultuous transition period, Russia was included on DAC's recipient-countries list and was provided concessional credits to support its economy. In 1997, Russia was invited to join the Group of 7/8 (G7/8), in which it remained a member until 2013. In 2006, Russia officially became a global donor after accepting the presidency of the G8 and hosting the G8 summit in St. Petersburg, during which global donors established a set of commitments to fight global poverty in areas such as education, energy and health. This required the Russian government to adjust its ODA approach to the international development agenda. As a result, the process invoked a systemic transformation of national institutions for ODA policy implementation.

The history of the modern Russian international development assistance (IDA) system can be characterized simultaneously by ups and downs. As mentioned above, in 2007, immediately following Russia's G8 presidency, a decree on the "Concept of Russia's Participation in International Development Assistance" was approved by the Russian president [Government of the Russian Federation, 2007]. The 2007 decree made special reference to Russia's international commitments such as the Millennium Declaration, the Monterrey Consensus, and the Paris Declaration on Aid Effectiveness, among others. It reaffirmed Russia's multidimensional approach to development policy, going beyond the previous focus on debt relief commitments which Russia had made at the G8 summit in Gleneagles in 2005. During this period, the idea of establishing a national aid agency was actively discussed [Rakhmangulov, 2010].

Russia has been gradually building up and broadening its international development assistance programmes: from about \$100 million in 2004 to a peak of almost \$1.3 billion annually by 2016 (Fig. 1). This is primarily associated with the government's efforts to create a national ODA system according to the geographical and sectoral priorities of the ODA Concept 2014. Although the amounts are modest by comparison with other donors, and also in relation to Russia's gross domestic product (GDP), they are nevertheless significant, especially at a time when the Russian economy is under severe stress from international sanctions which undermine the national economy and decrease the overall level of governmental expenditures.

Fig. 1. Official Development Assistance Provided by the Russian Federation, 2005–18

Source: [Knobel, Zaytsev, 2019].

In the period 2014–17, which coincided with the external and internal economic crisis, the Russian Federation continued to strengthen its position as an international donor. Internal and external problems for the Russian economy during this period were mainly associated with the sanctions. The estimated impact of sanctions on the Russian economy ranged from 1–1.5% of GDP per year, and the outward foreign direct investment (FDI) exceeded \$150 billion [CBR, 2018]. Despite the economic downturn, Russia has managed to maintain an annual development allocation of more than \$1 billion.

ODA volumes in 2018 were characterized by a slump which reduced ODA to \$999.08 million. However, this is comparable with three earlier periods when the level of finance exceeded \$1 billion in spite of the economic slowdown.

In 2014, a new presidential decree was issued for “Russia’s State Policy in the Area of International Development Assistance” [Government of the Russian Federation, 2014]. A special priority was maintained with respect to the formation of a zone of good neighbourliness in the framework of economic support for countries in the Commonwealth of Independent States (CIS) [Knobel, Zaytsev, 2017]. The emphasis was kept on international commitments made between 2007 and 2014. The focus on supporting sustainable development outcomes was not changed.

According to recent statistics, in 2018 Russia allocated \$999.09 million for its ODA, which was 16% less than in 2017. The global level of ODA in 2018 amounted to \$149.3 billion [OECD, 2019]. As a result of this decline, the volume of Russian ODA does not exceed 0.1% of its gross national income, whereas one of the UN’s objectives for development financing is the annual allocation of donor assistance at the level of 0.7% of gross national income [Ibid.]. However, the 2018 ODA contributions of the UK, Norway and Sweden have exceeded the UN target.

In spite of substantial increase in the volume of Russian ODA contribution after 2007, progress on the creation of a national IDA system is still required.

Distribution of Russian ODA by Sector and Channel

Despite the wide range of priority sectors identified in Russia’s ODA Concept 2014, current practices concerning Russian ODA generally relate to multilateral and bilateral modes of engagement and are associated primarily with humanitarian aid and debt relief. Moreover, understating the current instrumental and sectoral modes of engagement in ODA helps to identify those national priorities that are associated with the achievement of the SDGs and the establishment of an M&E system.

Multilateral Aid

The current mode of engagement for aid distribution is associated with an increase in the volume of bilateral aid. However, in 2012–13, bilateral aid flows were almost at the same level as those for multilateral financing. The main motivation of the Russian ministry of foreign affairs is to raise the level of Russian aid effectiveness by developing bilateral channels with the Russian government, which could then exercise greater control over it.

Moreover, in 2014–17, the share of bilateral and multilateral assistance increased from 28.2% in 2014 to 39% (2016) and 37% (2018), respectively, of total ODA (Fig. 2). This indicates the reliance of the Russian government on international institutions as mechanisms for the provision of ODA.

Fig. 2. Distribution of Russian ODA to Bilateral and Multilateral Assistance

Source: [Knobel, Zaytsev, 2019].

The key multilateral partners for Russia in 2018 were UN institutions (\$104.71 million), the World Bank (\$16.4 million), and regional development banks (\$225.12 million) (Table 1).

Table 1. Financial Participation by Russia in International Development Institutions, 2018

International Institute	The Volume of Financial Participation by Russia (\$ Millions)
UN institutions	104.71
World Bank institutions (IDA, IBRD, IFC, IIGA)	16.4
Regional development banks	225.12
Montreal Protocol (1987)	7.95
Other international institutions	17.01
<i>Total</i>	<i>370.92</i>

Source: [Knobel, Zaytsev, 2019].

Despite statements made in the framework of the annual spring meetings of the World Bank and the International Monetary Fund in 2018 on Russia's abstinence regarding the recapitalization of the World Bank in the amount of \$13 billion, the Russian government continues to use the bank's tools to implement aid programmes [RBC, 2018]. At the World Bank, the Russian Federation provides financing to projects within the framework of the 21 established trust funds [World Bank, 2019]. The total cash contributions amounted to \$62 million in 2013–17, earning Russia 25th place in the International Bank for Reconstruction and Development (IBRD) and International Development Association (IDA) rankings of trust fund donors [Ibid., 2018]. As for the regional development banks, the main priority in 2017–18 was given to those that were implementing their projects in the Eurasian space [Knobel, Zaytsev, 2018].

Bilateral Aid

As a part of its bilateral cooperation, Russia is implementing its scale-up approach and continues to focus on providing assistance to the CIS countries. In the cases of many post-Soviet countries, Russia became one of the largest donors. For example, according to the Statistics Agency under the President of the Republic of Tajikistan, Russia's share in overall development assistance amounted to 19.8% [TAJWeek, 2017]. According to Deputy Foreign Minister Alexander Pankin, Russia's priority regions in 2017 also included countries from Latin America, Africa and Asia [Central Asia News, 2018].

Yet, the majority of Russia's bilateral international development assistance is focused on specific countries that are partners, friends, or neighbouring countries of Russia. Such country-specific programmes account for 40% of all programmes and 80% of all of Russia's current ODA financing. The most prominent recipients are Kyrgyzstan, Tajikistan, Cuba, North Korea, Nicaragua, Guinea, Serbia, Mozambique, Syria and Armenia, which together account for 95% of Russian ODA directed at specific countries [Knobel, Zaytsev, 2017].

Currently, Russian bilateral aid focuses mainly on debt relief (SDG 17), the environment (SDG 13), rural and infrastructure development (SDG 9), energy (SDG 7), health (SDG 3), water and sanitation (SDG 6), and budget support (SDG 17). Russia uses its multilateral mechanisms through the World Bank or the World Food Programme to assist CIS countries, while placing a special focus on the Kyrgyz Republic, Tajikistan and Armenia for infrastructure development and the provision of food security. These activities are in line with Russia's specific national objectives in the Eurasian economic space [Government of the Russian Federation, 2014] associated with economic integration at the sectoral and country levels.

It should be noted that the actual value of ODA provided by the Russian Federation exceeds the amounts published in OECD statistics. This is due in part to the fact that assistance is provided to countries that are not on the OECD-DAC list of beneficiaries. Russia continues to support the socio-economic development of South Ossetia, which is still considered by the international community to form part of Georgia. For example, the Russian government has allocated RUB 600 million for the construction of an operational-surgical complex at the Republican Hospital. This project was included in an investment programme which relied on Russia's financial assistance for the 2015–17 period [Sineva, 2018]. Moreover, the Russian Federation, like other OECD-DAC countries, also allocates funds to combat international terrorism and provides military assistance. However, these areas of assistance are not taken into account in ODA statistics [Zaytsev, 2013].

Thus, an appropriate accounting of Russian ODA would make it possible to provide more accurate assessments of the scale of Russia's official engagement in the markets of developing countries through bilateral and multilateral channels. Moreover, humanitarian aid and debt relief often reflect only the quantitative side of international development engagement. In order to make further qualitative judgements on the systemic change of Russian ODA and its impact, an evidence base is required. However, Russia's ODA politics currently lack substantive and qualitative impact assessments due to the absence of concrete ODA M&E practices.

Monitoring and Evaluation

Current trends reveal that Russia's ODA policy places emphasis on tracing the government's actions in the field of development cooperation in order to raise the efficiency and effectiveness of Russian aid. Moreover, in light of scarce budgetary resources, monitoring external and internal governmental policy implementation could raise Russia's accountability standards. That is why elaborating institutional models and establishing a national M&E system is

essential, especially for external policies such as ODA [Boehmer, Zaytsev, 2018]. Moreover, as mentioned above, M&E systems help to trace the progress of systemic change [Humphrey et al., 2014] and evaluate the scope of engagement to fight global poverty [WBCSD, 2013].

From an expert point of view, there are several reasons for establishing an ODA M&E system in Russia. The first is to provide information to the public and the government, especially in times of budget constraints. The efforts should be undertaken in conjunction with a communication strategy, which requires the development of a clear narrative that speaks to key audiences and is based on factual data, combined with information on Russia's impact, that stakeholders can relate to for further decision-making. This could take the form of an annual institutionalized report to the government and an easily understood brochure for the public. These reports should incorporate simple indicators of what has been done at the global and country levels [Boehmer, Zaytsev, 2018]. They should be measurable and the data should be readily available. Successful examples of establishing ODA M&E systems are usually associated with the practices of the United Kingdom, Germany, Canada and Australia [Ibid., 2019], where the efficiency of ODA projects is assessed against systemic change criteria.

The second reason is associated with Group of 20 (G20) accountability, which assumes preparation of the national action plans to achieve the SDGs. As a member of the G20, Russia is committed to providing annual reports showing compliance with SDG targets. This international commitment coincides with Russia's national priorities on achieving the SDGs, as reflected in the Concept of the Russian Federation's State Policy in the Area of International Development Assistance [Government of the Russian Federation, 2014]. Moreover, the usage of SDG indicators could strengthen the national ODA M&E system as well as optimize the efficiency and effectiveness of Russian development aid projects. Thus, SDG reporting for the G20 could contribute to national efforts to develop an ODA M&E system.

The emphasis on strengthening national ODA M&E systems has become one of the main prerequisites for the gradual achievement of the SDGs by 2030. The 2030 Agenda for Sustainable Development adopted by the UN in 2015 puts a special focus on follow-up and review processes at the national and global levels. It should be informed by global and country-led evaluations based on high-quality, accessible, timely and reliable data [UN, 2015] in order to inform stakeholders of systemic changes and the scale of change.

With the launch of the SDGs, many governments are actively working to consider how they will address the SDG indicators and targets. It often makes them reconsider the main principles of their national M&E systems for addressing this challenge. Given that the Russian government is at a very early stage of establishing a national ODA M&E system, taking the SDGs into consideration could be a part of the process. This would also contribute to raising the level of transparency of Russia's efforts in the field of international development cooperation. What is more, most of the SDGs assume long-lasting systemic change effects. To reveal these effects in the future, the M&E system should be created as quickly as possible. Through the monitoring and assessment of appropriate SDG targets, governmental bodies would be able to track their incremental efforts toward systemic change.

Russia's ODA Policy and the SDG Agenda

The SDGs pose a challenge for the international community, especially in light of the changing development agenda. Each SDG is subject to comprehensive efforts toward achieving and maintaining them, with all 17 SDGs being interconnected and interrelated. The relationships between the goals can be even more complex. Each goal is connected to other goals and sub-targets in different, often context-dependent ways [Ibid.]. Moreover, the introduction of the

SDGs into Russia's ODA politics addresses its systemic change approach, with spillover effects among the goals and targets that have direct and indirect impacts [Ruffer, Wach, 2013].

As noted earlier, in Russian practice, the role and function of the SDGs are not defined institutionally. Nevertheless, it is possible to identify certain areas of work by the Russian government in this area. In December 2016 a meeting of the State Council was held on the issue "On the Environmental Development of the Russian Federation in the Interests of Future Generations" [President of Russia, 2016]. The government was instructed to consider "as one of the main goals of Russia's transition to a model environmentally sustainable development" to define and use a system of indicators for sustainable development – mechanisms for achieving the goals of the country's environmentally sustainable development policy by 2030, and thereafter by 2050.

The monitoring of Russia's achievement of the SDGs has been included in the Federal Statistical Work Plan since 2017 [Government of the Russian Federation, 2017b]. In 2019, Rosstat (2019) was assigned as the responsible body for the development of a national set of SDG indicators for their further implementation in state strategic documents. It also coordinates the collection and provision of statistical information on SDG indicators to international organizations [Ibid., 2017a]. In total, 90 SDG indicators have been collected, including 54 indicators (60%) by Rosstat and 36 indicators (40%) by ministries and departments. In 2017, the Rosstat portal created a "Sustainable Development Goals" section for downloading statistical information on monitoring the implementation of the SDGs at the national level [Rosstat, 2015]. Thus, the SDGs are shared by the Russian government with respect to its internal and external politics.

At the national level, the SDGs are partly expressed by a decree of the president of the Russian Federation "On the National Goals and Strategic Objectives of the Development of the Russian Federation for the Period up to 2024" [President of Russia, 2018]. The May Decree of 2018 sets strategic tasks for the government and determines the indicators for the results that are expected to be achieved in six years, thereby achieving the tasks of the SDGs.

The official version of the Presidential May Decree of 2018 encompasses nine national goals in the fields of demography, poverty eradication, income increases, housing improvements, technology development, digital economy, economic growth and export expansion. Table 2 shows the goals, indicators, and their values by 2024. National goals and indicators correlate with the SDGs related to the elimination of poverty (SDG 1), hunger (SDG 2), strengthening health systems (SDG 3), reducing inequality (SDG 10), sustainable urban and urban development (SDG 11), industrialization and infrastructure development (SDG 9) and economic growth (SDG 8).

The political goals for Russian ODA are also correlated with the SDGs and can be classified at the global, regional and recipient country levels. Traditionally, Russia's priorities as a global actor covered areas in which the country possessed comparative advantages, such as health, education and energy, as well as food security. All of these areas are related to facilitating sustainable socio-economic development in partner countries, including post-conflict countries (SDG 1). Other goals of the ODA Concept 2014 at the global level – such as limiting the consequences of natural disasters or establishing a stable and equitable world order based on universally recognized norms of international law and relations between countries – can also be easily mapped (SDGs 11 and 17).

At the regional level, Russia's priorities are mostly associated with facilitating integration processes among the CIS countries, with particular emphasis on the development of trade and economic cooperation (SDG 9) [Knobel et al., 2019]. With respect to other neighbouring countries, Russia is primarily keen on facilitating the elimination of potential points of tension

and conflict, and sources of drug trafficking, international terrorism, and organized crime, as well as preventing their occurrence (SDG 16) [Government of the Russian Federation, 2014].

Table 2. List of National Goals in the Presidential May Decree of 2018

The Goal	Goal Indicator	Value of the Indicator by 2024	SDG
a) ensuring sustainable natural growth of the population of the Russian Federation	Natural population growth, people	1.0	SDG 2, 3
b) increase in life expectancy	Life expectancy (years)	78.0	SDG 2, 3
c) ensuring sustainable growth of real incomes of citizens, as well as raising the level of pensions above inflation	Real cash income, % of the previous year (real disposable cash income of the population, % of the previous year)	2.4	SDG 10
d) halving the poverty level in the Russian Federation	Population with cash income below the subsistence level, in % of the total population	6.6	SDG 1
e) improvement of living conditions for at least 5 million families annually	The number of families who improved their living conditions every year (increasing rooms in housing, the appearance of missing basic public amenities in housing, reducing real housing costs by more than 5%), million families	5	SDG 11
f) acceleration in the technological developments of the Russian Federation, and an increase in the number of organizations implementing technological innovations, up to 50% of their total number	The share of organizations involved in technological, organizational, marketing innovations in the reporting year, in the total number of organizations surveyed, %	50.0	SDG 8, 9
g) ensuring the accelerated introduction of digital technologies in the economy and the social sphere	—	—	—
h) contributing to the Russian Federation so that it becomes one of the five largest economies in the world, ensuring economic growth rates that are higher than global ones while maintaining macroeconomic stability, including inflation, at a level not exceeding 4%	Place among countries in nominal PPP GDP in \$	5	SDG 8
i) job creation in the basic sectors of the economy, primarily in the manufacturing industry and the agro-industrial complex, for a highly productive export-oriented sector that is developed on modern technologies with highly qualified personnel	Exports (in value terms) of non-primary non-energy goods, \$ billion per year	350	SDG 2

Source: [President of Russia, 2018].

At the level of recipient countries, the interests related to Russian ODA very often coincide with its global and regional priorities, so its ODA policy aims at overcoming the barriers at the national level in order to implement these priorities [Boehmer, Zaytsev, 2018]. Russia's national interest in supporting developing countries is translated into practice by boosting economic activity, creating conditions to involve the poorest groups of the population in economic activities (SDGs 6 and 7) and providing access to vital resources, primarily water and electricity (SDG 9). In the case of Russia's Eurasian economic integration policy, these measures help the recipients to improve conditions for their trade and investment activities in order to enhance their proactivity in the Eurasian economic space [Knobel et al., 2019].

Another angle of Russia's national interest in ODA politics relates to support of global partnerships (SDG 17), which is primarily associated with strengthening national health systems and social safety nets (SDG 3), raising the quality of education (SDG 4) and supporting efforts on post-conflict peacebuilding (SDG 16) [Government of the Russian Federation, 2014]. The partnerships are associated with institutional cooperation focused in these areas at the international level in the framework of the G20, the UN system, etc.

Overall, most of the priority areas of Russia's ODA policy at the global, regional and national levels correlate with the relevant SDGs. Given that the achievement of development objectives is not associated merely with a particular SDG or several SDGs, it is important to note that the priority areas and relevant objectives of Russia's ODA engagement should be mutually reinforcing and complementary. Thus, the national priorities for Russia's ODA policy should result from considerations about the provisions of the ODA Concept 2014, the relevant SDGs discussed above, and the perspectives of stakeholders contributing to the implementation of ODA projects (such as the ministry of foreign affairs and other sectoral federal governmental bodies, as well as civil society and business) (Fig. 4).

Fig. 4. Areas of Coincidence of National Interests, Regional Goals and SDGs

Source: Compiled by author.

For the successful implementation of the objectives of the SDGs, it is necessary to adapt the SDG indicators at the national level. Existing tasks and activities within the framework of national socio-economic development programmes need to be analyzed and compared with global goals and objectives to assess compatibility or conflicts, as well as gaps, in the content of national documents [Boehmer, Zaytsev, 2018].

Russian Businesses and ODA

Russian businesses have been represented in the markets of developing countries since Soviet times. In essence, economic assistance from the USSR served as a corporate social responsibility (CSR) programme for Soviet enterprises operating there. This form of cooperation was aimed at overcoming the negative externalities associated with the work of Soviet industrial enterprises, as well as at strengthening their positions. For ideological reasons, socially oriented programmes that accompanied the work of Soviet organizations could not conceptually or meaningfully intersect with the programmes of companies in capitalist countries. Nevertheless, in fact, they had a large number of points of intersection with the CSR projects of western partners [Zaytsev, 2018].

Notwithstanding that the current role ascribed to businesses as development actors goes far beyond their CSR practices, due to the lack of information on Russia's private development engagement, this article relies on open CSR data published by Russian companies as a part of their participation in the Global Reporting Initiative. The expenditures of Russian companies for external CSR practices are usually associated with development objectives in the field of infrastructure and human development.

The share FDI by Russian businesses in the poorest countries of Africa, Latin America and Southeast Asia is still quite low. For example, the figure is less than 8% in sub-Saharan Africa and less than 1% in the Middle East and North Africa [RAS Institute, 2014]. In emerging and fast-growing markets, Russian investors are surpassed by their U.S., Chinese, EU and Australian competitors in Africa, Latin America and Southeast Asia. The main reasons predominantly concern the relatively high levels of competition and support from national governments, which – in the cases of the United States and the European Union – often have more diversified and effective mechanisms of support. For example, in 2015, U.S. companies spent more than \$41.5 million for CSR projects in the African region. At the same time, Nigeria (\$5.41 million) and Egypt (\$6.14 million) are among the largest recipients of social investments [Chief Executives for Corporate Purpose, 2016].

Russian companies are also represented in the region in the mining and services sectors, where CSR programmes accompany business processes. However, Russian companies' expenditures for external CSR are substantially lower. For instance, Lukoil Overseas implements its projects in Egypt, Ghana, Côte d'Ivoire and Iraq. According to 2015 data, Lukoil Overseas spent more than \$5 million on projects aimed at ensuring the company's CSR in foreign countries [Lukoil Overseas, 2011].

However, the Russian private sector has an extended portfolio of CSR projects. CSR programmes implemented by Russian businesses abroad vary substantially, depending on the specifics of the business and terms of funding. For example, businesses from the industrial sector of the economy put special emphasis on infrastructure projects and the development of human capital and local communities, whereas businesses from the financial sector implement CSR projects which mostly focus on environmental and social issues [Zaytsev, 2018].

Russian businesses put a special emphasis on the projects that affect local communities when implementing CSR programmes. A prime example is the work of Russian companies from the mining sector, such as Alrosa, Lukoil Overseas, Rusal, Gazprom and Rosneft, in the markets of developing countries and countries with rapidly growing economies.

Lukoil Overseas has become Russia's largest private company in terms of assets, sales, and spending on socially oriented projects in Africa, Latin America and the Middle East. The company is ranked among the 10 largest non-financial transnational corporations represented in the markets of developing countries and countries with economies in transition.

One of Lukoil Overseas' largest projects in Africa is Meleiha (Western Desert), which will be implemented under the terms of a concession until 2024. The company owns a 50% stake in the project. The Egyptian government and the Egyptian oil company EGPC hold the remaining shares. One of the conditions for the concession was the implementation of socially oriented projects aimed at ensuring the interests of local communities and the development of infrastructure. The company has implemented its CSR projects in Sierra Leone, Ghana, and areas around the Gulf of Guinea as part of its business activities. Most of the projects have focused on the development of local communities.

The mining company Rusal is also among the key representatives of Russian companies implementing CSR projects in foreign countries where they operate, such as Guinea, Nigeria, Guyana and Jamaica. The company is also leading in terms of financing social projects which, for 2013, amounted to about \$10 million [Rusal, 2013a].

The social activities of the company relate to participation in infrastructure projects. In the city of Fria (Guinea), over the last 10 years the company has been carrying out the construction of artesian wells and public schools, and also the reconstruction of the city mosque and the Catholic church. In Guyana, the company built a plant for the purification of drinking water for the Hururu village and supplied electricity to the village through the generating capacity of its plant [Ibid., 2013b].

CSR practices have become an inevitable part of business activity portfolios and are often implemented as part of a corporate management programme. On the one hand, the practices are in line with governmental efforts to provide public goods. On the other hand, they do not always advance the core targets of the SDGs, even while they do contribute to economic development and growth.

The integration of Russian businesses into the system of global economic relations means deeper involvement in value chains, which, in turn, suggests expanded production in developing markets, depending on the availability of critical production factors which contribute to both scale and change. However, political risks and the inefficient system of state support to capital exporters – with a focus on companies with government participation – considerably complicate the penetration of foreign developing markets by Russian businesses. However, participation by Russian businesses in national ODA projects could substantially reduce such risks. What is more, commercial private capital could contribute toward financing the SDGs through blended mechanisms, with Russia as the official donor. Overall, development and related SDG projects are often not bankable for businesses. Consequently, private capital could be an alternative source to “turn the billions into trillions.”

There are several mechanisms, including public-private partnerships (PPPs), that could increase the involvement of the Russian private sector in state ODA projects. PPPs have become an integral part of the SDG agenda and contain an enormous potential to contribute to the achievement of SDGs 8, 9 and 17, in particular.

Moreover, some Russian companies have already indirectly integrated the SDGs into their day-to-day activities. According to the Russian Union of Industrialists and Entrepreneurs, about 200 companies have implemented more than 500 projects to overcome social and environmental challenges, thereby contributing to the achievement of the SDGs. Moreover, 25 of these companies – working in fields such as energy, oil and gas, metallurgical and mining, agriculture, and telecommunications – have streamlined their social and environmental practices with the SDGs in the 2030 agenda [Russian Union of Industrialists and Entrepreneurs, 2018]. This approach is reflected in company reports on CSR, in which particular activities are associated with the appropriate SDGs.

Despite Russia's economic decline, socially responsible projects should remain a priority for Russian corporations in light of the environmental and social goals stipulated by the SDGs.

This concerns not only the classic polluting companies, represented in the mining and manufacturing sectors, but also the businesses working in the services sector. Moreover, the development footprint of Russian business could be strengthened with governmental support, which is associated with PPP projects and political risk reduction. Such cooperation is associated not only with a straightforward scale effect but also with long-lasting systemic changes.

Conclusions

Despite the recession in the Russian economy and the instability of relations with the U.S. and the EU since 2014, the Russian government continues to implement programmes in the field of international development assistance. As a result, Russia's commitment to international agreements remains firm, even though political events, such as western sanctions, are pushing Russia into a more isolated position. In addition, attempts are being made to change the modalities for providing assistance related to its effectiveness. Nevertheless, multilateral and bilateral mechanisms continue to provide a balance of interests and costs associated with the provision of Russian assistance. However, the lack of an M&E system for ODA programmes and projects at the national level makes it difficult to accurately understand the effectiveness and efficiency of these channels and inhibits tracking progress.

The issues of ensuring the accountability of Russian IDA programmes, as well as the problems of their effectiveness and efficiency, actualize the task of creating a national M&E system for Russian IDA programmes. Of course, an attempt to create a national M&E system for construction and installation work can lead to additional bureaucracy for decision makers, as well as for executors of construction and construction work projects. However, the formation of such a system will make it possible to solve other tasks related to the fulfillment of Russia's international obligations, including in the area of the SDGs.

In addition, the SDGs are becoming a priority of Russia's national policy in the field of social and environmental development [President of Russia, 2016]. Rosstat has become a key agency in monitoring goals at the national level [Government of the Russian Federation, 2017b]. The sequence of actions to implement IDA programmes and achieve the SDGs could be ensured by supplementing the national strategic planning system for IDA with the national Sustainable Development Strategy of Russia, as well as achieving the 2030 SDGs until 2030 [Bobylyev, Grigoryev, 2016]. For the successful implementation of the SDG goals, it is necessary to adapt the SDG indicators at the national level based on an analysis of existing tasks and activities in the framework of national socio-economic development programmes and their comparison with global goals and objectives.

Cooperation with private business can also lead to an increase in aid effectiveness, which will further contribute to the emergence of direct and indirect systemic changes in Russian assistance programmes and development results in recipient countries.

Given the complex hierarchy of priorities of Russia's IDA at different levels, it is important to focus on areas of intersection of national interests, regional objectives, and the SDGs as global priorities. Thus, to narrow the priority areas in order to develop a simple M&E system, those areas in which Russia's national interests directly coincide with the SDGs and the interests of partner countries should be considered. These are SDG 2, SDG 6, SDG 7 and SDG 8 [Boehmer, Zaytsev, 2018].

Of course, the modalities of future IDA programmes will determine the future directions of the development of the Russian IDA system and positioning Russia as an international donor. Currently, cooperation with the OECD-DAC remains at a rather low level and is within the framework of ODA reporting. On the other hand, Russia is not a country of the global south

and has been isolated by the West from global donor forums such as the G7. This situation requires the Russian government to search for alternative options for the development of the construction and installation system. One of these alternatives is participation in the formation of new international development institutions, including the creation of the New Development Bank (NDB) and the Asian Infrastructure Investment Bank (AIIB).

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