

The Future of Funding

How well are Australian grants addressing the UN Sustainable Development Goals?

An analysis of funds distributed with the SmartyGrants platform 2013–2020

March 2022



About Our Community and SmartyGrants

For more than a decade, Our Community has led innovation in grantmaking.

SmartyGrants, our hosted grants management application, allows grantmakers to receive and manage applications – but it is much more than just a tech solution. SmartyGrants drives sector-wide reform by building best practice into an intuitive and affordable product that grantmakers want to use because it makes their lives easier and their outcomes better.

We are extending our product with added intelligence and insights. We want to help grantmakers become more *efficient* and *effective* by enabling decision making that is driven by data and outcomes. These improvements will benefit the community by ensuring money is going where it's needed and the best projects get funded.

About the author

Paola Oliva-Altamirano is Director of Data Science at SmartyGrants. A research scientist trained in astrophysics, she designs algorithms to improve understanding of social sector data, with the goal of facilitating human-centred artificial intelligence (AI) solutions. She is actively involved in AI ethics discussions at the Innovation Lab and as a member of the Standards Australia AI Committee. Paola graduated in physics in Honduras and later completed a PhD and post-doc in astrophysics at Swinburne University of Technology, Melbourne. In 2016 she co-founded Astrophysics in Central America and the Caribbean (Alpha-Cen) to support students in developing countries pursuing careers in science. She is currently the organisation's vice-president. Paola has been with SmartyGrants since 2018.

Acknowledgments

The author is grateful to Our Community staff who assisted in the preparation of this report, including Nathan Mifsud, Sarah Barker, Kathy Richardson, Alex McMillan, Amy Johannsohn and Stefanie Ball.

Acknowledgement of Country

The authors and publishers of this report acknowledge and offer our deep respect to the traditional owners of the lands on which we live, work, play and learn to grow wisely. Sovereignty was never ceded. We support the reforms outlined in the Uluru Statement from the Heart. Treaty, Justice, Truth.

Published by Our Community Pty Ltd, Melbourne, Victoria, Australia

© Our Community Pty Ltd

Our Community's preference is that you attribute this publication (and any material sourced from it) using the following wording: Original source: How well are Australian grants addressing the UN Sustainable Development Goals? (2022), by SmartyGrants, an Our Community enterprise. www.smartygrants.com.au

Requests and inquiries concerning reproduction should be addressed to:

Our Community Pty Ltd, PO Box 354, North Melbourne 3051, Victoria, Australia

InnovationLab@ourcommunity.com.au

Please note: While all care has been taken in the preparation of this material, no responsibility is accepted by the author(s) or Our Community, or its staff, for any errors, omissions, or inaccuracies. The material provided in this guide has been prepared to provide general information only. It is not intended to be relied upon or be a substitute for legal or other professional advice. No responsibility can be accepted by the author(s) or Our Community for any known or unknown consequences that may result from reliance on any information provided in this publication. The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States.

ABOUT THIS REPORT

The Sustainable Development Goals (SDGs) were adopted by the United Nations in 2015 to align efforts to end poverty, help all people live prosperous, peaceful lives, and protect the planet. Some SDGs are directed at problems in low-income nations and there has been debate about how to define these goals in wealthier countries like Australia. In this report we interrogate grantmaking data to understand Australian alignment to the SDGs in the context of government, philanthropic, corporate and other grants.

In this report we address the following questions:

- Which SDGs are being funded and how has that picture changed over time?
- Which parts of the social sector, which subjects and which populations are covered by each SDG?
- Where are the gaps between the SDGs and the issues of focus for the Australian social sector?

We acknowledge that alignment of funding to the SDGs may not equate to impact. At this stage, there is no centralised information on Australia's granting impact on the SDGs. To address this we have developed an Outcomes Engine within SmartyGrants to assist grantmakers to collect data about the impact of their grants. We hope in future reporting to tell the story of grantmaker alignment and impact against the SDGs.

How were the SDGs developed?

The eight Millennium Development Goals (**MDGs**) were established at a summit of the United Nations in 2000, with a target date of 2015. Following the MDGs, member states put forward the Sustainable Development Goals (SDGs). The goals are intended to be collective and universal. They shine the spotlight on the needs of the most disadvantaged and encourage wealthier nations to provide support to low-income countries through partnerships and aid. Overall, the goals aim to see all nations moving towards sustainable consumption and economies.

Although universal, the SDGs are intended to take into account the different realities in each country in terms of the levels of poverty, hunger and inequality that prevail.

Each SDG has a set of specific targets which organisations can use to track their progress and define their local needs. The details of each SDG are described on the [UN website](#). The SDG definitions do not have set boundaries, and the goals are designed to overlap with each other. In this report, we will discuss all 17 goals and their links to grantmaking. For simplicity, on some occasions, we refer to three major groups of goals: economy, society and biosphere goals. However, these groups can and do overlap.

The Sustainable Development Goals (SDGs)



Australia and the SDGs

In recent years, some Australian organisations have worked to align their impact measurements with the SDGs in order to track their progress against the global goals.

The philanthropic arm of Perpetual, which awards a range of grants in Australia, said in its [2020 Insight report](#) that the majority of its funds went towards *Good health and well-being (SDG 3)*, *Reduce inequalities (SDG 10)* and *Quality education (SDG 4)*. It noted that only 5% of its funds covered the **biosphere** goals.

Similarly, a SmartyGrants subsample of grants found that the priorities for funding in Australia revolve around the **economy** and **society** goals, and significantly less funding is allocated to **biosphere** goals. Specifically, the majority of funding in the grantmaking environment goes towards *Sustainable cities and communities (SDG 11)*, *Good health and well-being (SDG 3)*, *Industry, innovation and infrastructure (SDG 9)*, *Quality education (SDG 4)*, and *Decent work and economic growth (SDG 8)*.

Looking at research and innovation activities reveals a similar picture. The European consulting firm SIRIS Academic published a [2020 report](#) analysing research papers funded by the European Commission ([Seventh](#) and [Horizon 2020](#) Framework Programs) to understand the progress of each country towards reaching the SDGs by 2030. It analysed 368 projects undertaken by Australian institutions and found that *Industry, innovation and infrastructure (SDG 9)*, *Good health and well-being (SDG 3)* and *Sustainable cities and communities (SDG 11)* were high priorities (first, third and fourth respectively). However, unlike in the grantmaking arena, *Climate action (SDG 13)* and *Life on land (SDG 15)* came second and fifth respectively, suggesting that attention is being paid to **biosphere** goals in research, but these areas may not be attracting commensurate funding. We also need to keep in mind that Australia can only access specific areas of the European Commission funding, which might account for some of the differences between SmartyGrants rankings and SIRIS Academic rankings.

At the policy level, the Centre for Social Impact (CSI), a collaboration between the University of New South Wales, the University of Western Australia and Swinburne University of Technology, has [mapped](#) the SDGs to the [Australian Social Progress Index](#), painting a picture of government priorities by state. It found that the highest priorities across all states are *Zero hunger (SDG 2)* and *Good health and well-being (SDG 3)*. New South Wales, the Australian Capital Territory and Victoria, which have the most advanced capital cities in the country, show low scores for **biosphere** goals. South Australia, Western Australia and Tasmania, on the other hand, appear to be prioritising *Affordable and clean energy (SDG 7)*. The CSI found that Queensland was the only state focusing on all four **biosphere** goals.

No poverty (SDG 1) and *Zero hunger (SDG 2)* are cases of interest in Australia. They are of high priority in policy; however, they appear to be underfunded in grantmaking and under-studied in the academic sector. In reality, *SDG 1* and *SDG 2* targets do not directly align with the levels of poverty and hunger seen in developed countries like Australia. Thus, funding allocated to not-for-profits often falls out of the scope of *SDG 1* and *SDG 2*.

Other cases of interest are those domains in Australia (and the world) which are not covered under the priorities of the SDGs but are important for Australian communities. Specifically, a big fraction of arts and culture, sport and recreation, community development, and public affairs projects are not covered by the SDGs. As we approach the deadline for the SDGs in 2030, it is worth considering how these areas of well-being may be factored into the global vision for 2045.

It's worth highlighting that SDG data collection and reporting is not yet the norm in Australia.

In 2021 the data and analytics firm Seer launched an initiative to track the goals across the country, encouraging organisations in the social sector to sign up. Seer's portal links to publicly available data in [the Australian Government's Reporting Platform on the SDG Indicators](#) and the [SDG portal](#) and consolidates open data against each indicator into one data asset exploration. Its [SDG observations](#) draw on relevant data to report insights on most of the goals, but it found that Australia has a gap in reporting against climate-related themes and *Sustainable cities and communities (SDG 11)*.

The process of considering the goals and setting road maps to achieve them in different scenarios is as important as the outcomes. For example, in grantmaking, the distribution of funding in Australia and around the world could be considerably improved if grantmakers asked questions such as these:

- How do we engage with the community?
- What role do the SDGs play in program design?
- How were the different populations represented in the program?

TECHNICAL NOTES

What data did we use?

SmartyGrants is a grant management software-as-a-service solution that serves grantmakers, including government, philanthropic, business/corporate organisations and educational institutions. While the SmartyGrants database does not represent all funding data in Australia (and therefore has biases based on which grantmakers are clients), it provides a large and homogenous sample of grants from which we can derive reliable statistics on the Australian grantmaking environment.

How were grants classified?

For the purpose of understanding funding flows in Australia the [Innovation Lab](#) has developed a system of auto-classification of grant applications against CLASSIE, a social sector dictionary. CLASSIEfier was introduced in 2020 as a living auto-classification tool which evolves along with CLASSIE. Both CLASSIE and CLASSIEfier will continue to improve over time. The analysis presented was done with CLASSIE 4.1 and CLASSIEfier 2.3. Future versions of these tools might reveal different insights.

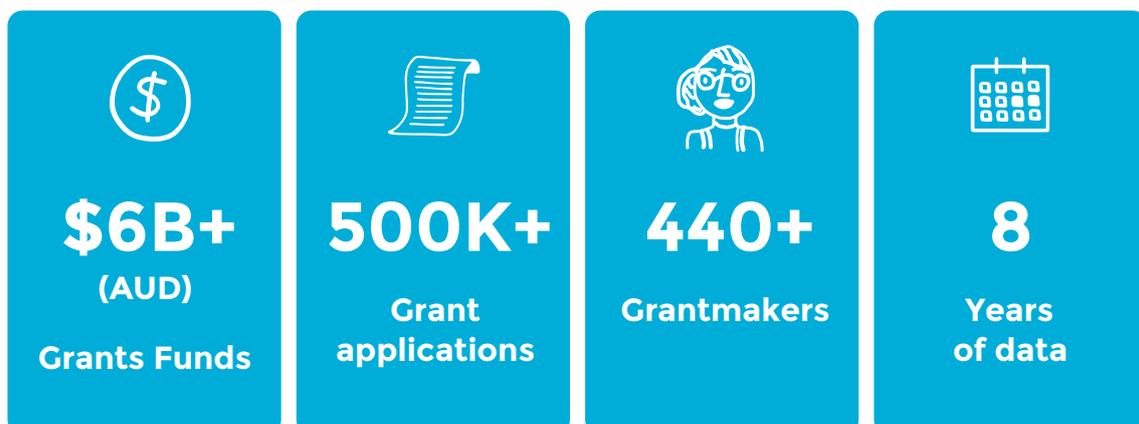
CLASSIE is a social sector taxonomy that enables systematic classification of subjects and beneficiaries. The taxonomy offers a hierarchical breakdown of social sector categories in four different levels of detail.

CLASSIEfier is a keyword-based automated tool which provides standardisation of classification for grants analysis. Its average accuracy is 80-90% (comparable to the accuracy of a human user who is not an expert in the CLASSIE taxonomy). Thus, a margin of imperfect categorisation is one factor to keep in mind when interpreting the findings published below.

The sample presented here was auto-classified using a multilabel approach that allowed a maximum of three SDGs, three subjects and three beneficiary groups to be allocated to each grant application. Data dates from 2013 to 2020.

Summary of the data

The figures in this report derive from a subset of all SmartyGrants data that met our data quality requirements (e.g. completion of certain application fields).



Metrics used in this report

Total funding allocated is shown broken down in Figure 2 (page 9). This reflects the sum of all funding allocated from 2013 to 2020.

% of total funding allocated per year is shown in Figure 3 (page 10). It is calculated as funding per SDG over total funding allocated each year. Thus it reflects the priority given to each SDG from 2013 to 2020. This metric removes biases attributable to funding changes and client changes in SmartyGrants across the years.

Average % of total funding allocated per year is the mean of % of total funding allocated per year from 2013 to 2020. This metric removes biases attributable to funding changes and client changes in SmartyGrants across the years. For example, if in 2020 SmartyGrants disbursed two or three times more funding than in 2013, an overall calculation of 'Funding per SDG/Total funding allocated' would be skewed by the 2020 data. By calculating the percentage of funding allocated per SDG each year and then calculating the mean from those figures, we are assigning equal weight to each year's priorities.

Approval rates (%) shown in Figure 4 (page 11) refer to funding allocated over funding requested per year per SDG.

Average approval rates (%) is the mean of approval rates (%) from 2013 to 2020.

Change in % of funding allocated (2019-20) is the difference between the % funding allocated in 2019 and the % funding allocated in 2020 per SDG. We have used the difference in percentages rather than the difference in absolute funding to accommodate growth in overall funding and new clients joining SmartyGrants over the years.

We wanted to identify changes of focus from 2019 to 2020. The changes in percentages are more significant in lower priority SDGs. For example, a 2% change from 2% to 4% signifies a doubling, while a 2% change from 55% to 57% is negligible.

Change in approval rates (%) (2019-20) is the difference between the approval rates in 2019 and the approval rates in 2020 per SDG.

HIGHLIGHTS OF THE RESULTS

The top SDGs funded through SmartyGrants



In general, **these SDGs are umbrellas that cover a large range of sectors**, thus they match a large set of grants, as opposed to more specific goals such as those relating to protection of the biosphere, social equality, and elimination of poverty and hunger.

Biosphere SDGs trends



Biosphere SDGs are less popular in the Australian grantmaking arena, although this trend is now beginning to change, and we expect a significant shift in coming years. They began to gain some traction in 2020. In particular, *Climate action (SDG 13)* received 3.4% of the total funding in 2020, while in previous years it received less than 0.9%. The approval rates for *SDGs 6, 13, 15* and *7* increased by more than 20% from 2019 to 2020. *Life below water (SDG 15)* is the only biosphere SDG for which approval rates did not increase in 2020.

Changes from 2019 to 2020



Changes from 2019 to 2020 were not dramatic despite the impact of covid-19, and notwithstanding the momentum gained by biosphere goals, as noted above. *Sustainable cities and communities (SDG 11)*, *Industry, innovation and infrastructure (SDG 9)*, *Quality Education (SDG 4)* and *Good health and well-being (SDG 3)* still rank high.

Subjects overlooked by the SDGs

95.5% of funding in SmartyGrants relates to at least one SDG, while 4.5% do not fall under any of the goals. Specific sectors such as visual arts, humanities, community celebrations and sports do not fall under the scope of the SDGs directly, unless they are paired with other sectors such as health and climate action. When perceived through an SDG lens, arts tends to be reduced to mental health benefits and sport tends to be reduced to physical health. The SDGs do not encompass higher order goals to promote development of culture, self-esteem, creativity and knowledge.

Which SDGs are being funded?

Funds allocated and requested by SDG

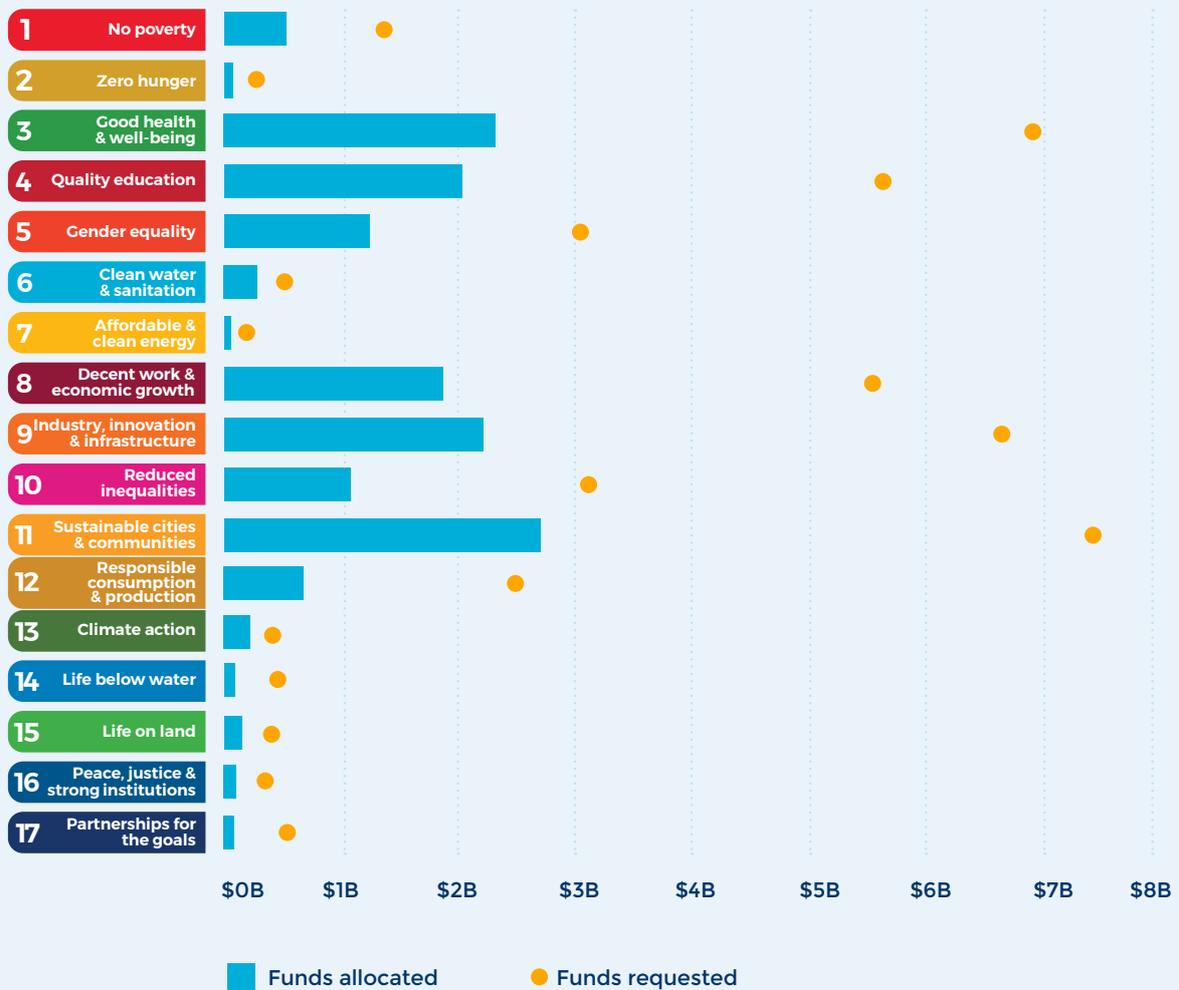
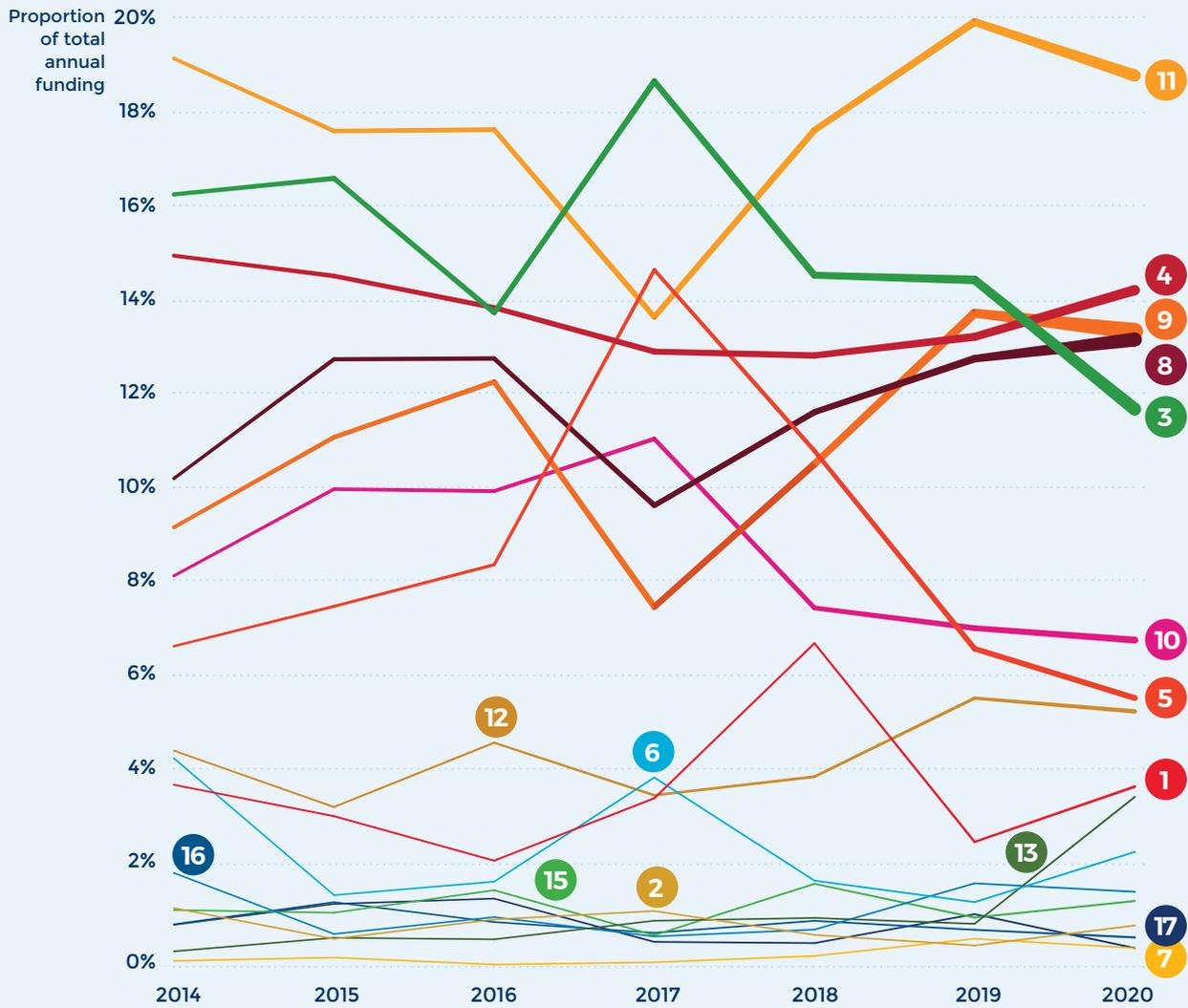


Figure 2. Total funding distribution from 2013 to 2020. SmartyGrants subsample. The dots represent the funds requested. The results presented here come from grants that have been auto-classified, so grants that explicitly mention SGD keywords are likely to have more accurate classifications.

The majority of funding requested and allocated was for:

- Sustainable cities and communities (SDG 11)
- Good health and well-being (SDG 3)
- Industry, innovation and infrastructure (SDG 9)
- Quality education (SDG 4)
- Decent work and economic growth (SDG 8)
- Gender equality (SDG 5)

Changes in funding priorities over time



Number of applications: | 1,000 or less | 20,000 | 40,000 | 60,000 | 70,000+



Figure 3. Each line shows the priority given to each SDG across time. The percentage is calculated as the sum of funding allocated per SDG over the total funding allocated each year. The thickness of the line represents the volume of applications.

While funding distribution remains quite stable throughout the years, we can see some trends:

- *Good health and well-being (SDG 3), Gender equality (SDG 5) and Reduced inequalities (SDG 10)* were high priorities in 2017 but the percentage of funding allocated per year to these goals has steadily decreased over the past three years. This change is due to a bulk of funding targeting women’s well-being in 2017. We see this trend reflected again in Figure 5 (page 11) where *SDGs 3 and 5* became top priority because of the 2017 women’s well-being programs.
- Changes from 2019 to 2020 are not dramatic despite the impact of covid-19. *Sustainable cities and communities (SDG 11), Industry, innovation and infrastructure (SDG 9), Quality education (SDG 4) and Good health and well-being (SDG 3)* still rank high. However, the biosphere goals seem to be gaining some momentum. In particular, *Climate action (SDG 13)* received 3.4% of the total funding in 2020 while in previous years it received less than 0.9%.

The approval rates¹ for *Climate action (SDG 13), Affordable and clean energy (SDG 7), and Life on land (SDG 15)* increased significantly (more than 20.0% change) while the approval rates for all the other SDGs remained the same. That is to say, projects designed to address these three SDGs have become more popular among funders over the past 12 months. This may indicate that grantmakers are increasing their focus on these goals.

Interestingly, the approval rates of *Life below water (SDG 14)* decreased by 13.6%.

Approval rates 2019–2020

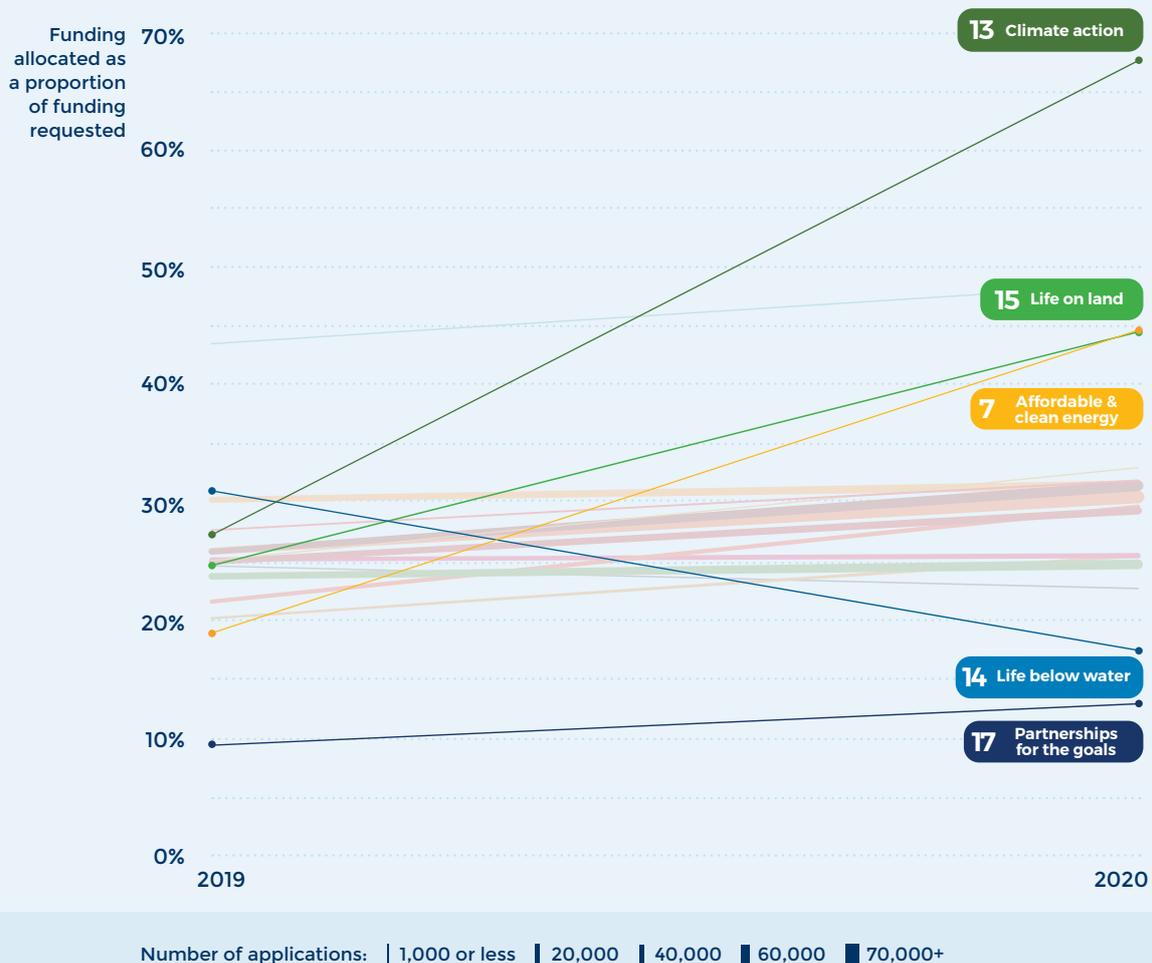


Figure 4. Each line shows the approval rates (funding allocated over funding requested) of each SDG from 2019 to 2020. The thickness of the line represents the volume of applications.

¹ Approval rates refer to funding allocated over funding requested per year per SDG.

WHO'S FUNDING WHAT?

Total funding distribution per grantmaker type

PHILANTHROPY



BUSINESS/CORPORATE GRANTMAKER



LOCAL GOVERNMENT



STATE/TERRITORY GOVERNMENT



FEDERAL GOVERNMENT



Figure 5. SDG distribution by organisation type from 2013 to 2020. The area of the shapes represents the volume of applications. The colours align with the SDG standards.

Highlights

- Philanthropy's highest priority is health – *Good health and well-being (SDG 3)*.
- Business/corporate grantmakers are most likely to fund projects tracking with *Good health and well-being (SDG 3)*, *Quality education (SDG 4)*, and *Sustainable cities and communities (SDG 11)*.
- The top priority for local and state/territory governments is the sustainability of their cities – *Sustainable cities and communities (SDG 11)*. Wellbeing and innovation also rank highly – *Good health and well-being (SDG 3)* and *Industry, innovation and infrastructure (SDG 9)*.
- Gender equality has remained a top-five priority for the federal government throughout 2013-2020. The graph on page 10 (Figure 3) clearly shows the funding targeting women's well-being in 2017.

Summary and definitions

	Total funding allocated A\$	Average % of total funding allocated per year	Average approval rate (%)	Change in % of funding allocated (2019-20)	Change in approval rates (%) (2019-20)
11 SUSTAINABLE CITIES AND COMMUNITIES 	2.7B	17	37.4	-1.1	1.3
3 GOOD HEALTH AND WELL-BEING 	2.3B	14.5	36.8	-2.6	1
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	2.2B	11.2	36.7	-0.4	4.6
4 QUALITY EDUCATION 	2.0B	13.3	38.5	0.9	4.4
8 DECENT WORK AND ECONOMIC GROWTH 	1.9B	11.4	36.6	0.4	5.6
5 GENDER EQUALITY 	1.3B	8.1	40.4	-1	8.1
10 REDUCED INEQUALITIES 	1.1B	8.6	38.5	-0.3	0.3
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	693M	4.3	33.1	-0.3	5.3
1 NO POVERTY 	532M	3.6	39.5	1.1	4.2

	Total funding allocated A\$	Average % of total funding allocated per year	Average approval rate (%)	Change in % of funding allocated (2019-20)	Change in approval rates (%) (2019-20)
6 CLEAN WATER AND SANITATION 	298M	2.4	61	1	5.1
13 CLIMATE ACTION 	223M	1.1	39.6	2.6	40.4
15 LIFE ON LAND 	169M	1.2	48.9	0.3	19.9
16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	114M	0.9	39.9	-0.2	-1.9
14 LIFE BELOW WATER 	109M	1.2	32	-0.2	-13.6
17 PARTNERSHIPS FOR THE GOALS 	100M	0.9	24.2	-0.7	3.5
2 ZERO HUNGER 	83M	0.8	34	0.4	7.9
7 AFFORDABLE AND CLEAN ENERGY 	55M	0.2	29.3	-0.2	25.8

Table 1. Summary of SDG funding allocated and approval rates from SmartyGrants 2013 to 2020. Sorted by funding allocated. Refer to the section "Metrics used in this report" (page 7) for details on how these metrics were calculated.

SDGs mapped to CLASSIE subjects and beneficiaries

CLASSIE is a social sector taxonomy that enables systematic classification of subjects and beneficiaries. The taxonomy offers a hierarchical breakdown of social sector categories in four different levels of detail.

By auto-classifying the grants in SmartyGrants we can directly map the SDGs to CLASSIE categories. Used in this way, CLASSIE provides valuable insights into funding distributions and priorities.

In the following pages you will find the CLASSIE categories covered under each SDG along with their funding distribution. Keep in mind that CLASSIE and SDG categories overlap with each other. We used CLASSIE to classify each grant into up to three subjects, up to three populations, and up to three SDGs.

Jump ahead

[\(1\) 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](#)

1 NO POVERTY



A\$532 million

Funding for this SDG

A\$6 billion

Total funding for all SDGs

Rank in funding	#9
Average % of total funding allocated per year	3.6%
Average approval rate	39.6%
Change to % of funding allocated from 2019 to 2020	↑1.1%
Change in approval rates from 2019 to 2020	↑4.2%

Subjects mapped to SDG 1: No Poverty



Beneficiaries mapped to SDG 1: No Poverty

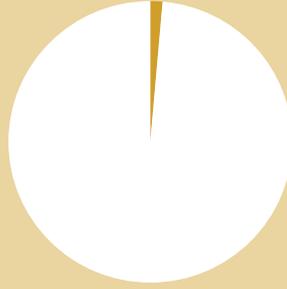


SDG 1 seeks to eradicate poverty at all levels, according to national definitions, protect people living in poverty and reduce their vulnerability. More than 60% of *SDG 1* funding goes to the subject area human services and health, reflecting protection and alleviation for people affected by poverty. Another 25% goes to building capability: economic development, education, community development, and similar. This could serve to raise people out of poverty or prevent them falling into poverty.

The beneficiaries graph reflects the vulnerable populations mentioned in grants for the alleviation of poverty, with the funding going to people with disabilities and illness, victims/survivors and oppressed people, children, families, Indigenous peoples, and others. 'Academics' reflects funding going towards research grants.

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

2 ZERO HUNGER



A\$83 million

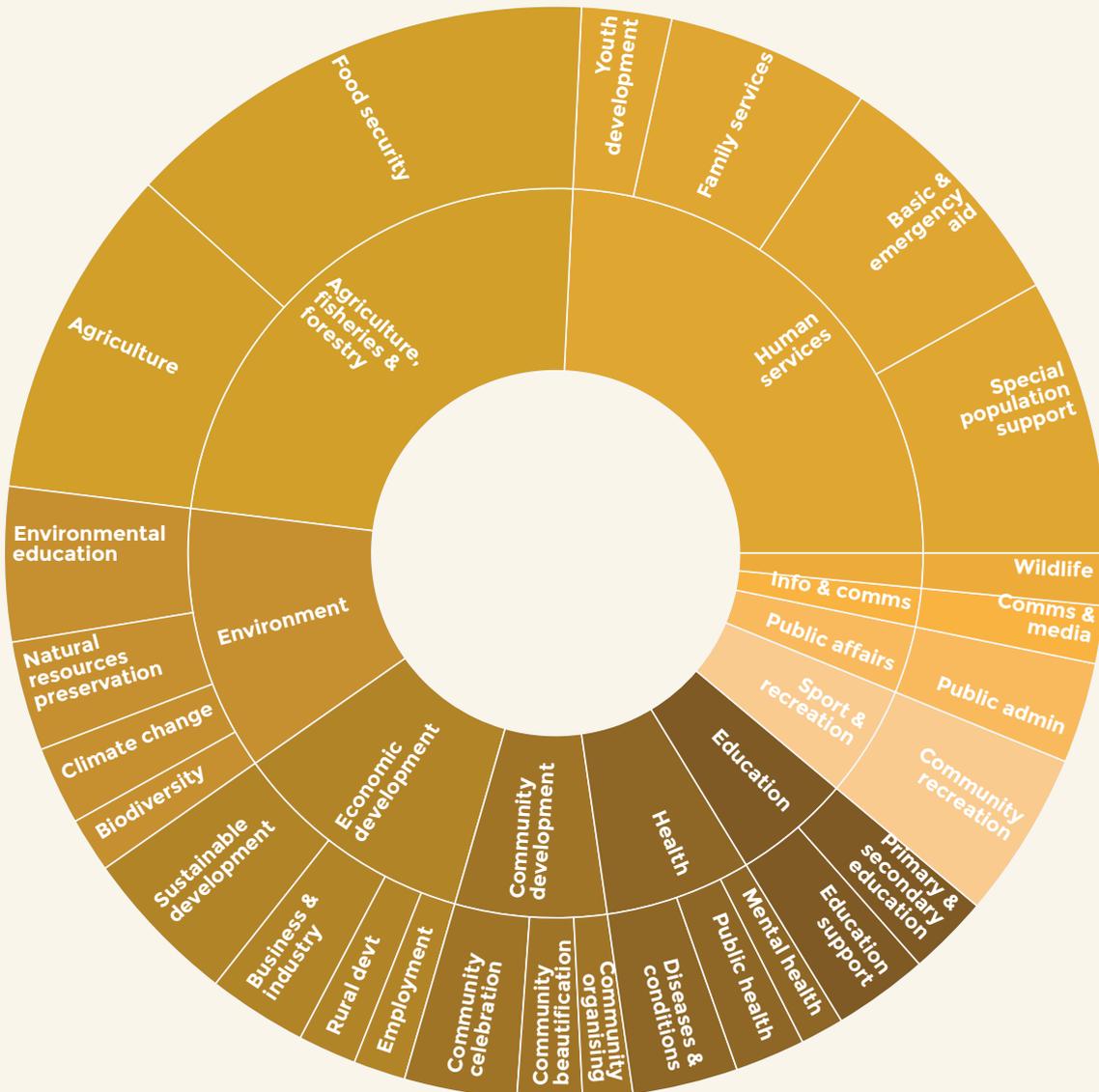
Funding for this SDG

A\$6 billion

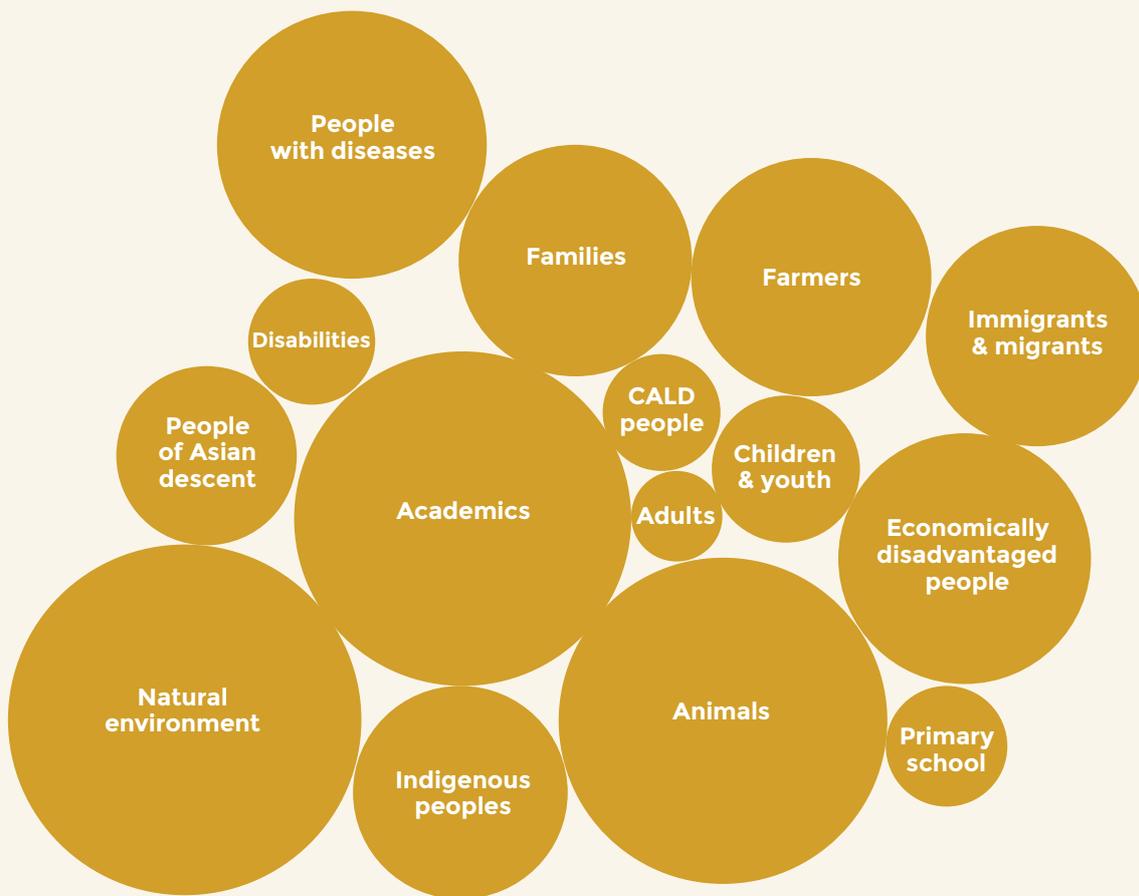
Total funding for all SDGs

Rank in funding	#16
Average % of total funding allocated per year	0.8%
Average approval rate	34%
Change to % of funding allocated from 2019 to 2020	↑ 0.4%
Change in approval rates from 2019 to 2020	↑ 7.9%

Subjects mapped to SDG 2: Zero Hunger



Beneficiaries mapped to SDG 2: Zero Hunger



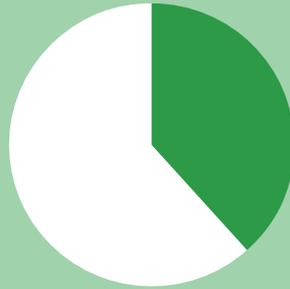
SDG 2 aims to eradicate hunger by promoting sustainable agriculture and economic development. The domains and beneficiaries in *SDG 2* show that a third of the grants in our sample are going to environmental and agricultural improvements, farming (also reflected in 'animals' and 'natural environment') and research (reflected in 'academics'). Like *SDG 1 No poverty* it is aimed at vulnerable populations suffering from hunger, including economically disadvantaged people, people with diseases and illness, migrants, Indigenous peoples, and people of Asian descent.

SDG 2 receives little funding through SmartyGrants, ranking #16 in the list. This could mean either that the goal is underfunded in Australia or that funds are allocated through other channels. It could also be the result of relatively few Australians living in hunger.

SDG 2 saw an increase in both % of funding allocated (0.5% to 0.9%) and approval rates (25.0% to 33.0%) from 2019 to 2020. The increase might be due to covid-19 relief grants, as the number of people suffering from food insecurity increased with the covid-19 pandemic.

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

3 GOOD HEALTH AND WELL-BEING



A\$2.3 billion

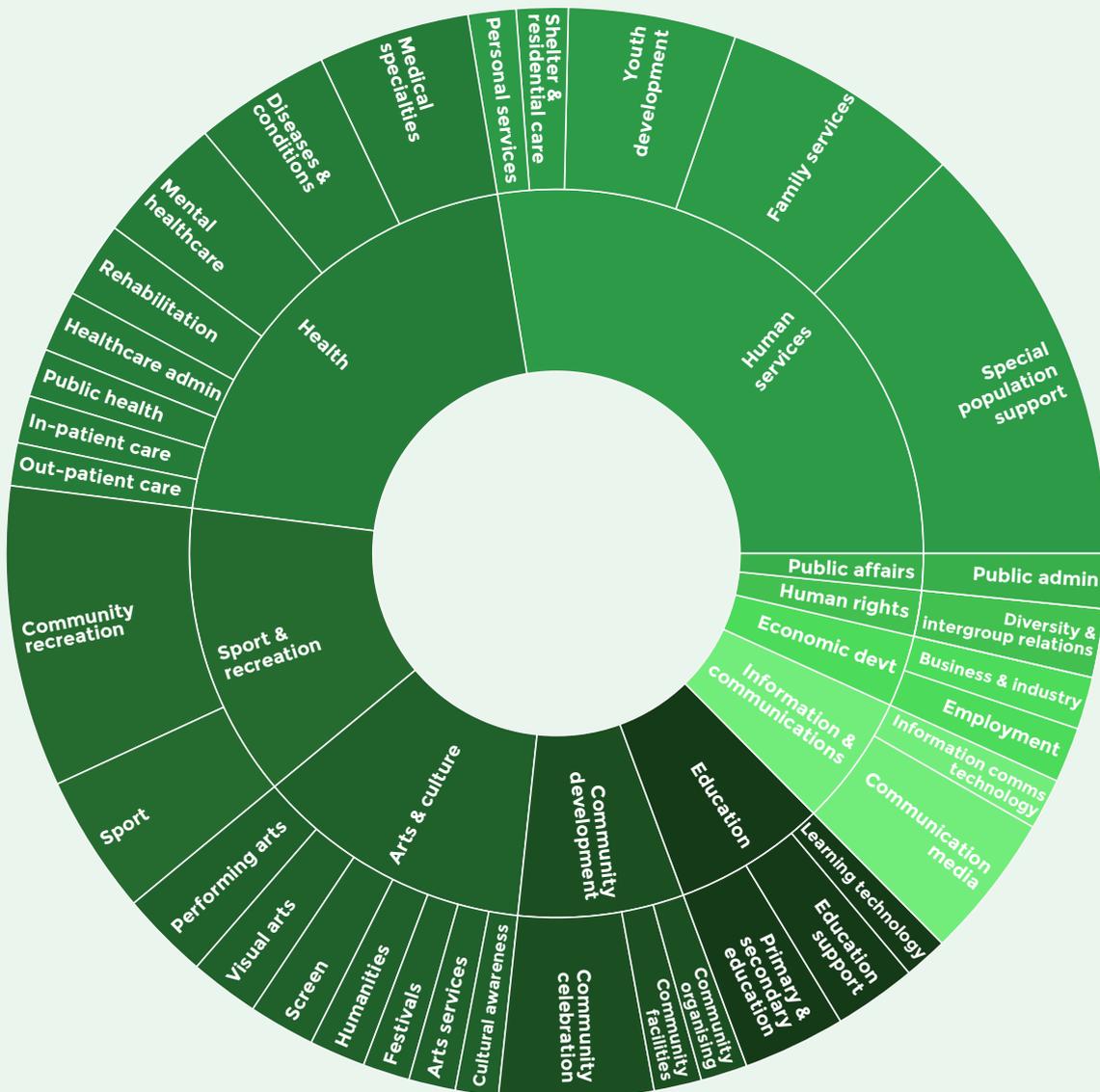
Funding for this SDG

A\$6 billion

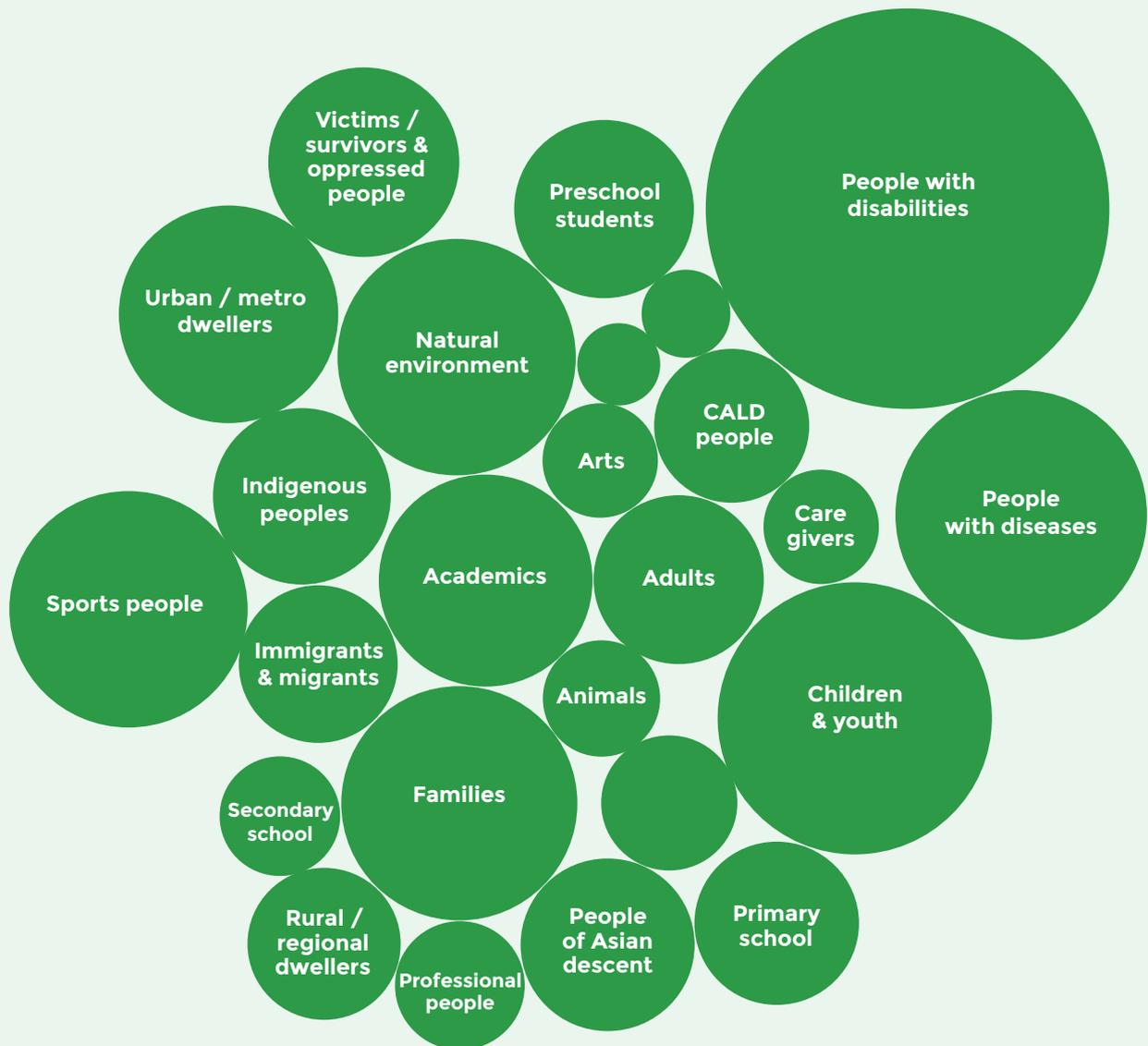
Total funding for all SDGs

Rank in funding	#2
Average % of total funding allocated per year	14.5%
Average approval rate	36.8%
Change to % of funding allocated from 2019 to 2020	↓ 2.6%
Change in approval rates from 2019 to 2020	↑ 1.0%

Subjects mapped to SDG 3: Good health and Well-being



Beneficiaries mapped to SDG 3: Health and Well-being

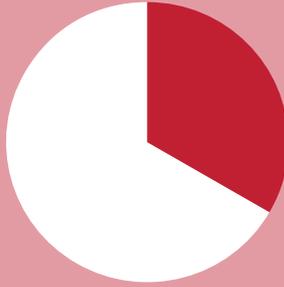


Missing labels sorted by bubble size: Economically disadvantaged people, People of European descent and Parents & guardians.

SDG 3 beneficiaries come from the entire health sector but also other domains which facilitate well-being and mental health. Arts, culture and sport activities designed to promote well-being play a big role in SDG 3. A diverse range of populations benefit from SDG 3, as shown in the beneficiaries graph. SDG 3 reached its funding peak in 2017 and since then has suffered a steady decline in SmartyGrants. From 2019 to 2020 the percentage of funding allocated to SDG 3 dropped by 2.7 percentage points (from 13.9% to 11.2%), yet SDG 3 still ranks #2 in the list.

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

4 QUALITY EDUCATION



A\$2 billion

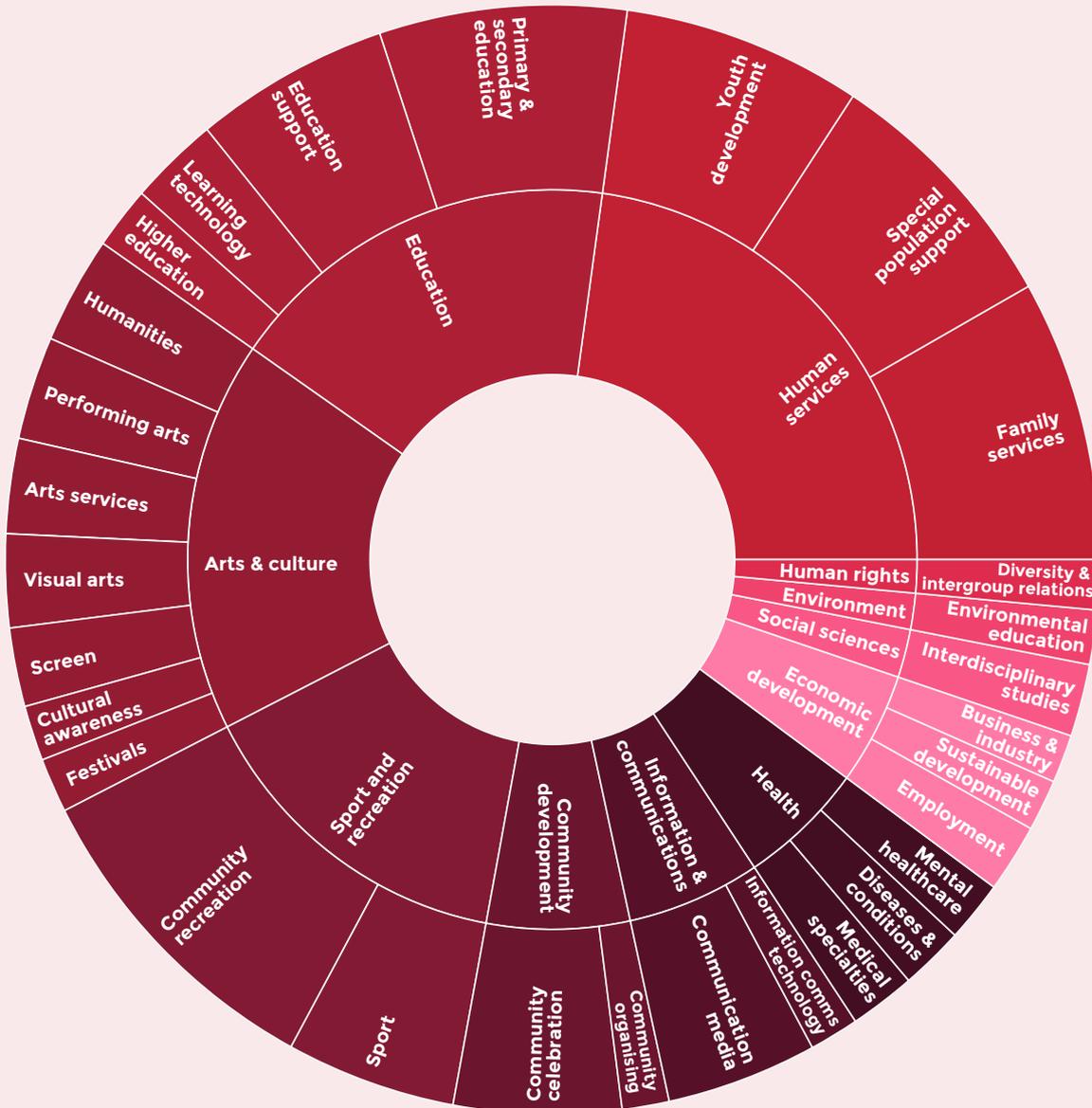
Funding for this SDG

A\$6 billion

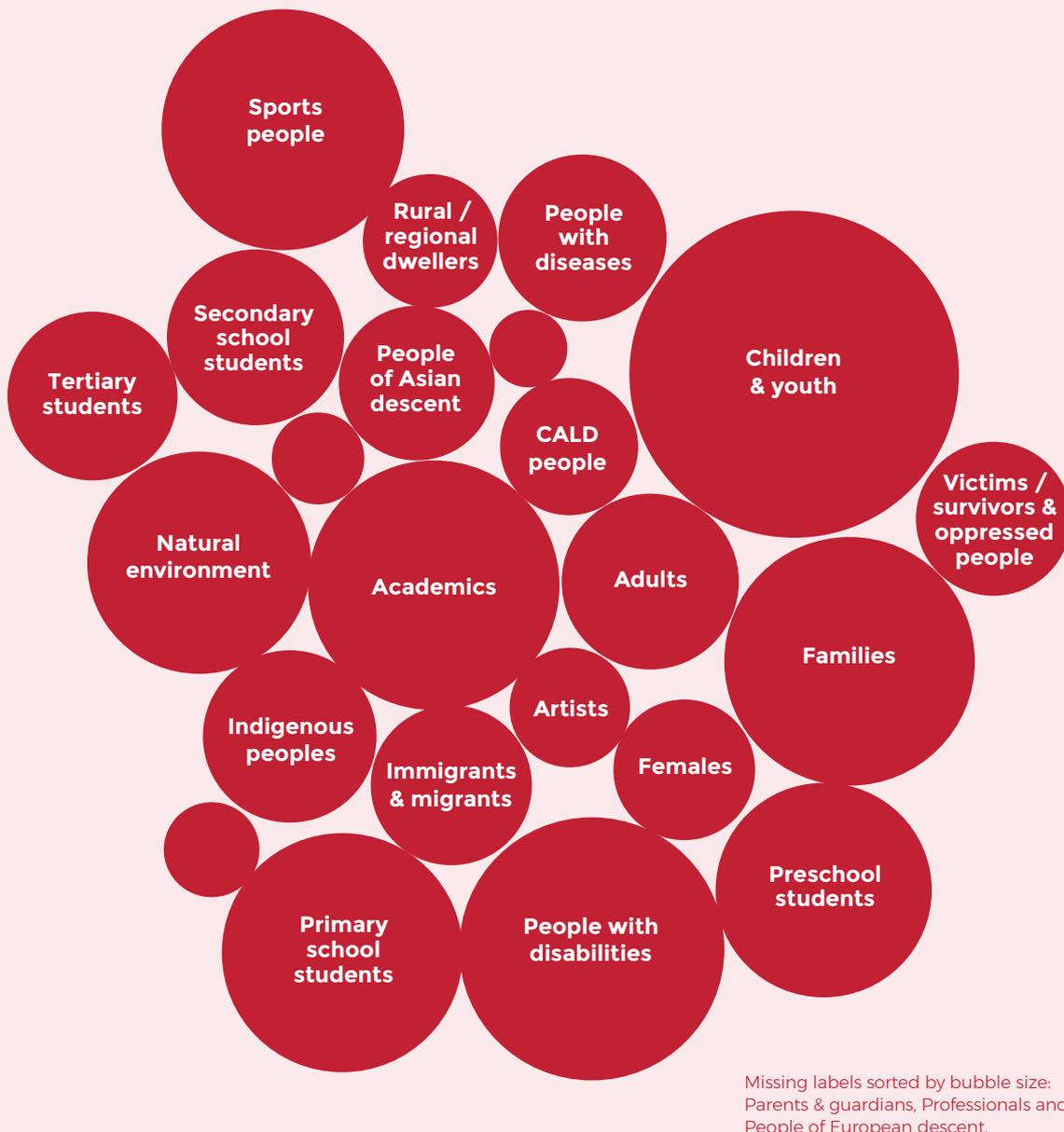
Total funding for all SDGs

Rank in funding	#4
Average % of total funding allocated per year	13.3%
Average approval rate	38.5%
Change to % of funding allocated from 2019 to 2020	↑ 0.9%
Change in approval rates from 2019 to 2020	↑ 4.4%

Subjects mapped to SDG 4: Quality Education



Beneficiaries mapped to SDG 4: Quality Education



SDG 4 targets cover more than just primary and secondary school programs, as it includes training, upskilling and capability building. We can see this with more than 50% of the funding going to human services, arts and culture, and sport and recreation. Unsurprisingly, the main beneficiaries are children and youth, academics (including teachers, trainers, and researchers) and students of all sorts. We also see a wave of inclusion in education with beneficiaries such as females, migrants, Indigenous peoples, culturally and linguistically diverse people (CALD), and people with disabilities and illnesses.

Education ranks #4 in funding allocation.

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

5 GENDER EQUALITY



A\$1.3 billion

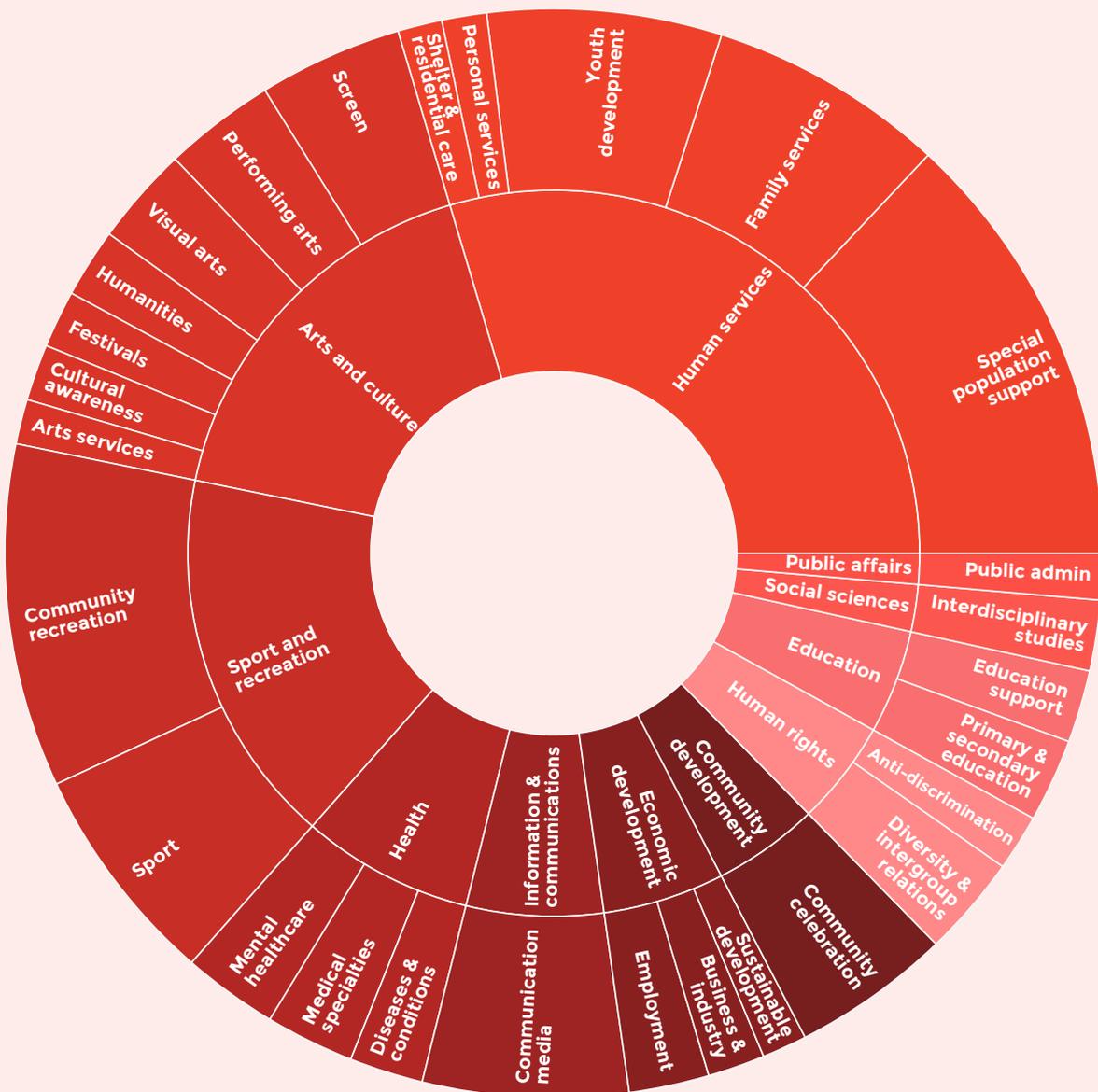
Funding for this SDG

A\$6 billion

Total funding for all SDGs

Rank in funding	#6
Average % of total funding allocated per year	8.1%
Average approval rate	40.4%
Change to % of funding allocated from 2019 to 2020	↓ 1.0%
Change in approval rates from 2019 to 2020	↑ 8.1%

Subjects mapped to SDG 5: Gender Equality



Beneficiaries mapped to SDG 5: Gender Equality

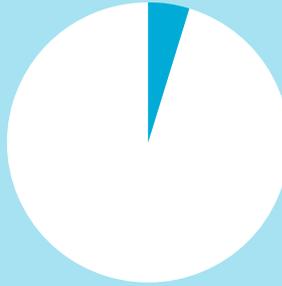


SDG 5 focuses on women's empowerment. Around a third of these grants go to support women and girls in arts and culture, and sport and recreation. Another third go to human services, including family services, victims/survivors of domestic violence, migrants, and culturally and linguistically diverse people (CALD). Significantly smaller fractions go to women's education, health, and economic development.

SDG 5 reached its funding peak in 2017 and since then has suffered a steady decline in SmartyGrants. SDG 5 ranks #6 in the list.

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

6 CLEAN WATER AND SANITATION



A\$298 million

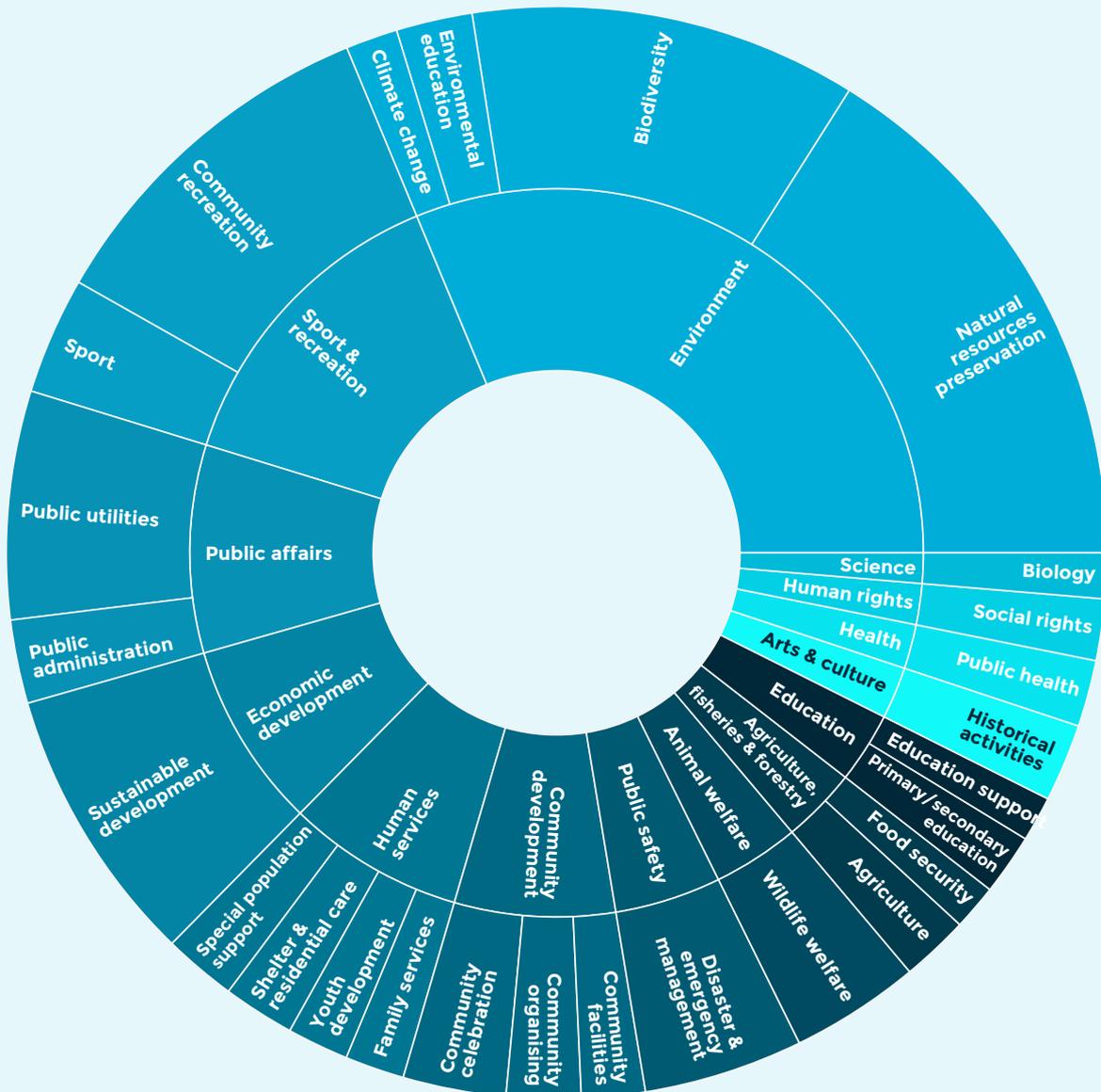
Funding for this SDG

A\$6 billion

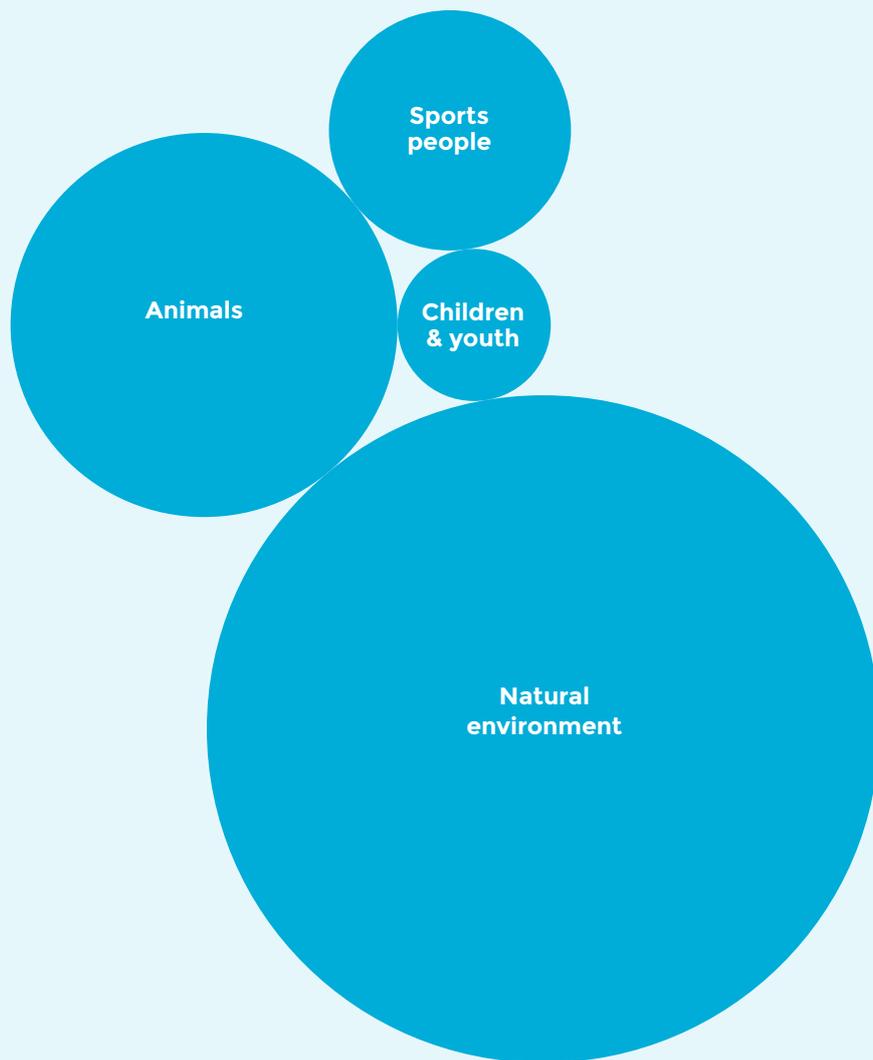
Total funding for all SDGs

Rank in funding	#10
Average % of total funding allocated per year	2.4%
Average approval rate	61.0%
Change to % of funding allocated from 2019 to 2020	↑ 1.0%
Change in approval rates from 2019 to 2020	↑ 5.1%

Subjects mapped to SDG 6: Clean Water and Sanitation



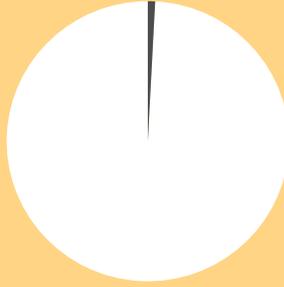
Beneficiaries mapped to SDG 6: Clean Water and Sanitation



SDG 6 covers all sort of projects linked to water access, community recreation and sport facilities and schools, as well as grants asking for funding to support public utilities. A lot of these grants have the parallel goal of environmental conservation and protection of water sources. We can see that the natural environment and animals are the largest beneficiaries. SDG 6 ranks #10 in the list, having received \$298 million since 2013. It is the goal with the highest approval rate, being allocated 61.0% of the money requested.

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

7 AFFORDABLE AND CLEAN ENERGY



A\$55 million

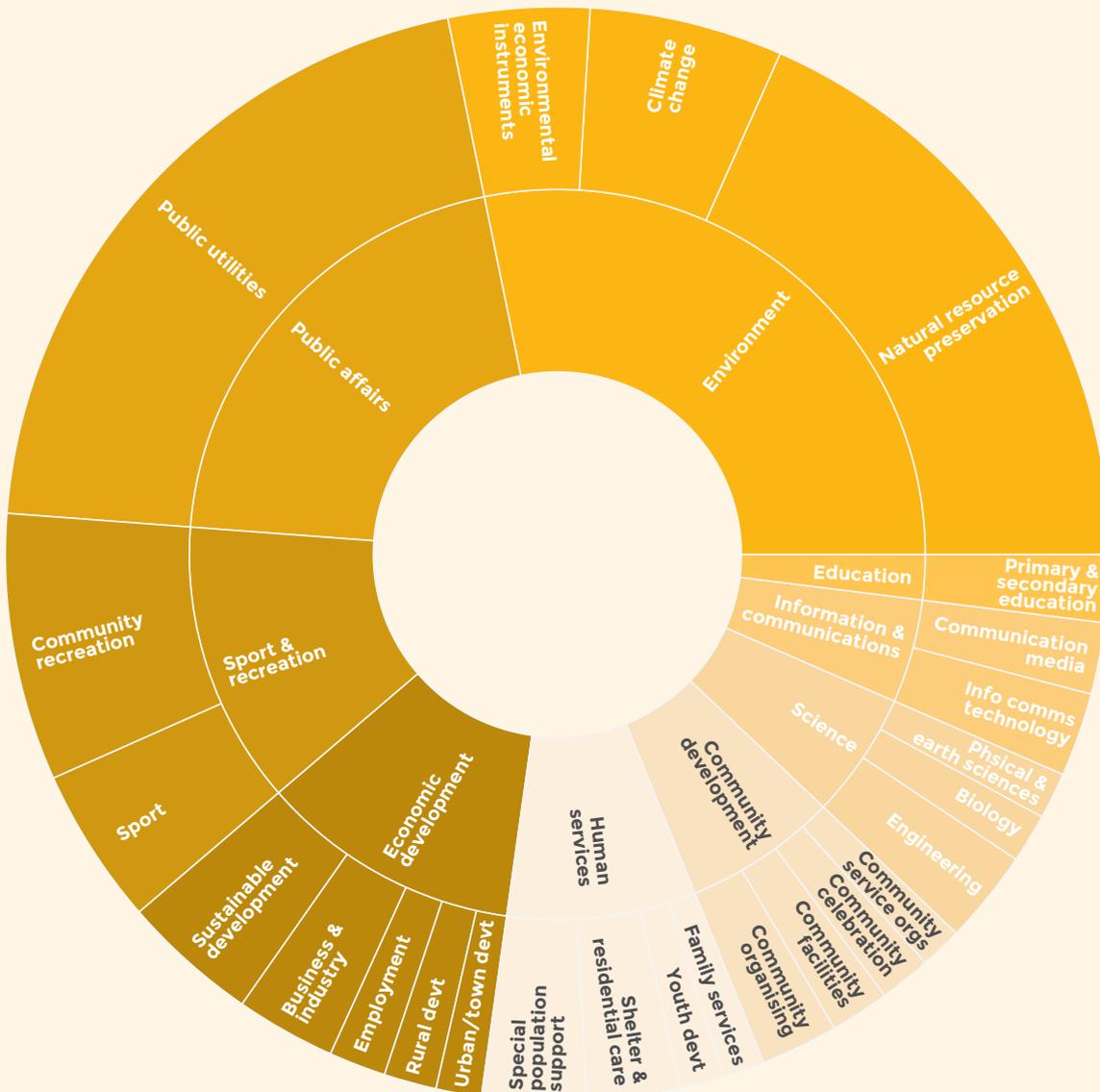
Funding for this SDG

A\$6 billion

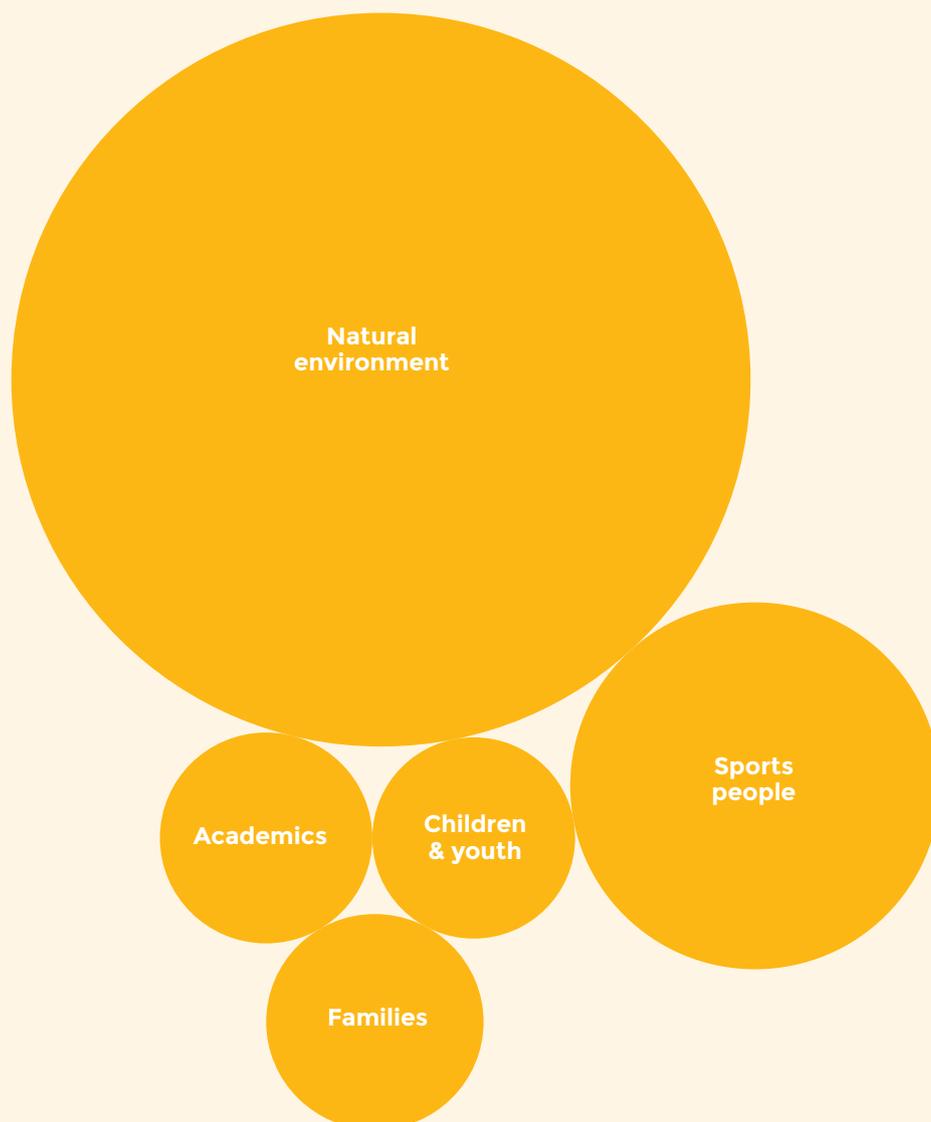
Total funding for all SDGs

Rank in funding	#17
Average % of total funding allocated per year	0.2%
Average approval rate	29.3%
Change to % of funding allocated from 2019 to 2020	↓ 0.2%
Change in approval rates from 2019 to 2020	↑ 25.8%

Subjects mapped to SDG 7: Affordable and Clean Energy



Beneficiaries mapped to SDG 7: Affordable and Clean Energy

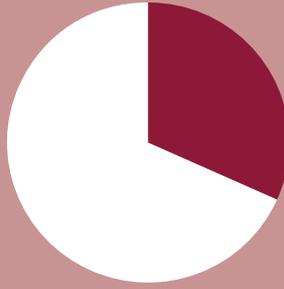


SDG 7 ranks last in funding allocation. This means limited funding toward this goal has been awarded through SmartyGrants. It could be that funding related to renewable energy in Australia goes through other channels or transaction types such as contracts and tenders. In SmartyGrants *SDG 7* covers environmental subjects, public utilities, powering of sport facilities (reflected in the beneficiary classification 'sports people') and in smaller percentages sustainable development in business, science (reflected in 'academics') and human services.

SDG 7 is one of the most specific goals, having a narrow and clear definition, and thus it covers fewer projects than broader goals such as *Good health and well-being (SDG 3)* and *Sustainable cities and communities (SDG 11)*.

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

8 DECENT WORK AND ECONOMIC GROWTH



A\$1.9 billion

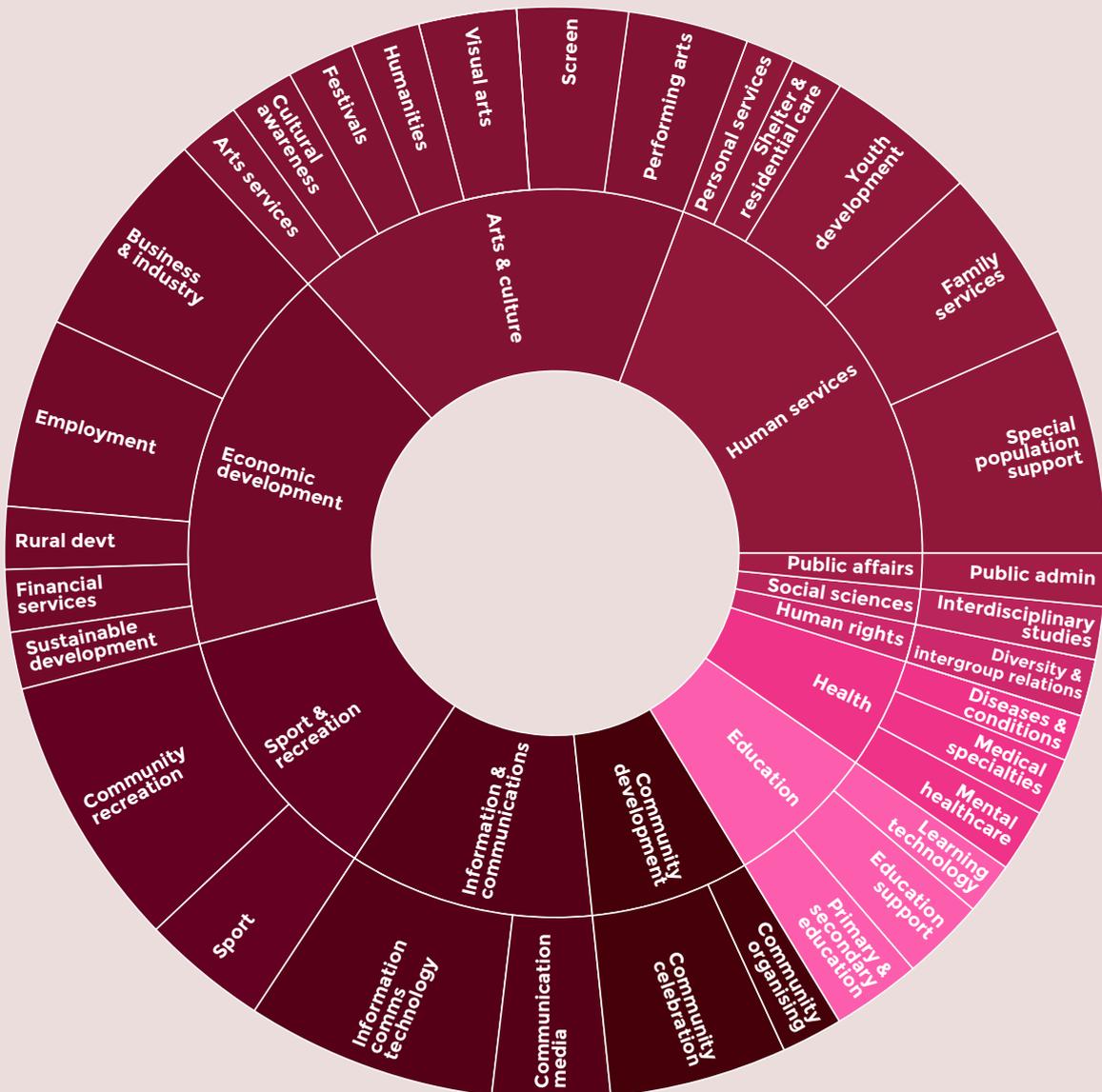
Funding for this SDG

A\$6 billion

Total funding for all SDGs

Rank in funding	#5
Average % of total funding allocated per year	11.4%
Average approval rate	36.6%
Change to % of funding allocated from 2019 to 2020	↑ 0.4%
Change in approval rates from 2019 to 2020	↑ 5.6%

Subjects mapped to SDG 8: Decent Work and Economic Growth



Beneficiaries mapped to SDG 8: Decent Work and Economic Growth



Missing labels sorted by bubble size: Self-employed people, Parents & guardians, Retired people.

SDG 8 targets are clear and specific yet this goal ranks fifth in funding allocation. Many of the projects covered here are carried out by diverse organisations whose missions do not directly align with *SDG 8* but whose projects bring workforce benefits such as better processes, systems, payrolls and administration. *SDG 8* also covers capability building for young people, students, and disadvantaged populations: training, coaching, upskilling and so on. This is clear in the wide range of populations covered.

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



A\$2.2 billion

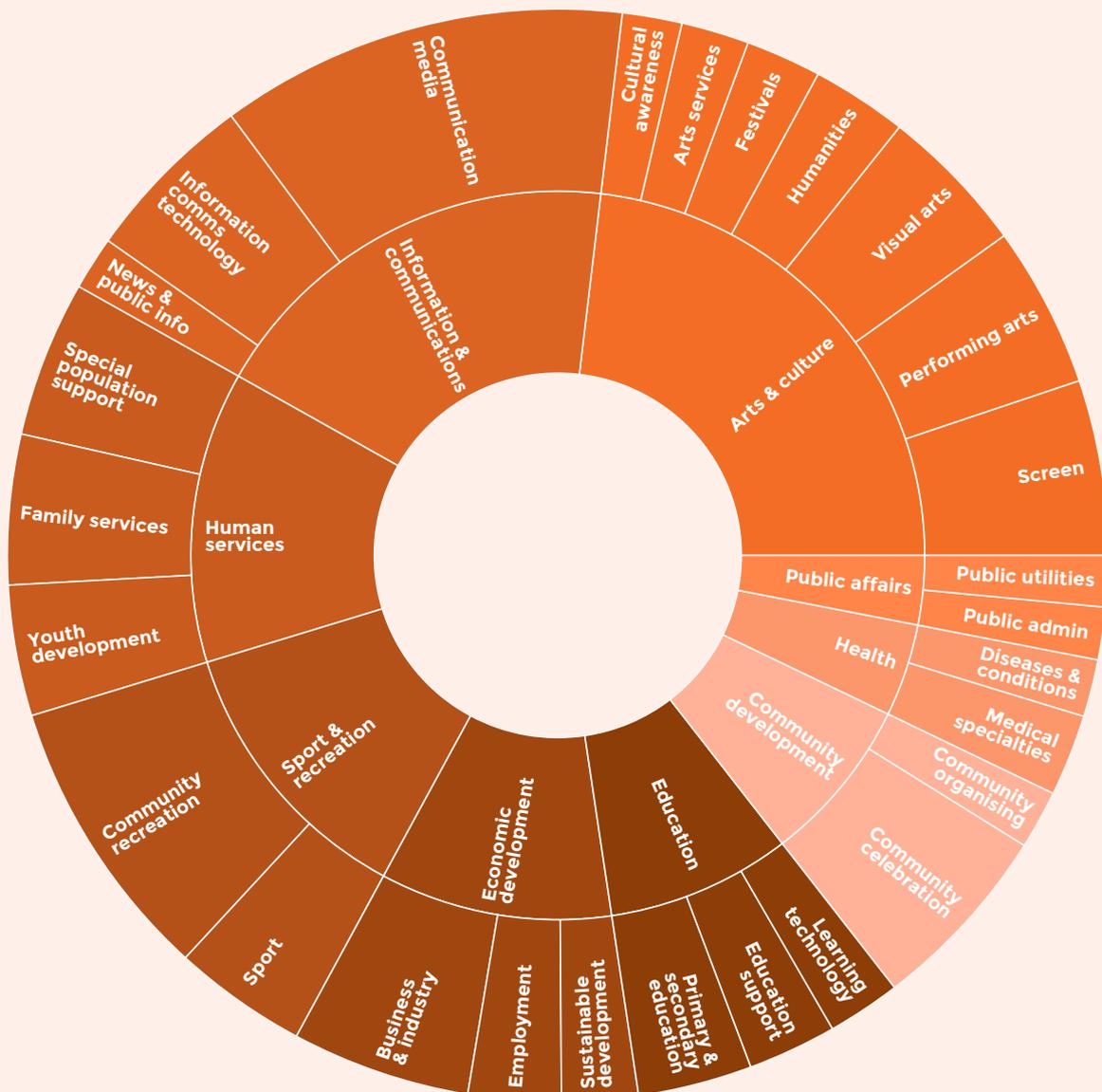
Funding for this SDG

A\$6 billion

Total funding for all SDGs

Rank in funding	#3
Average % of total funding allocated per year	11.1%
Average approval rate	36.7%
Change to % of funding allocated from 2019 to 2020	↓ 0.4%
Change in approval rates from 2019 to 2020	↑ 4.6%

Subjects mapped to SDG 9: Industry, Innovation and Infrastructure



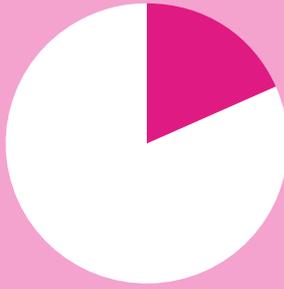
Beneficiaries mapped to SDG 9: Industry, Innovation and Infrastructure



SDG 9 is among the top three goals by funding allocation, having received A\$2.2 billion since 2013. Industry, innovation and infrastructure are high priorities for SmartyGrants grantmakers. *SDG 9* covers information and communication grants, as well as funding for websites, marketing, internet access, systems and databases. It covers innovative projects in the arts and culture sector and in sports and recreation (e.g. new bike trails in rural areas); it also covers new infrastructure in the economic development domain. Although almost any population can benefit from *SDG 9*, it is interesting to note that children (students and disadvantaged youth) are key players in *SDG 9*, mostly as a result of their connection with sport and recreation activities and innovative projects to improve classrooms.

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

10 REDUCED INEQUALITIES



A\$1.1 billion

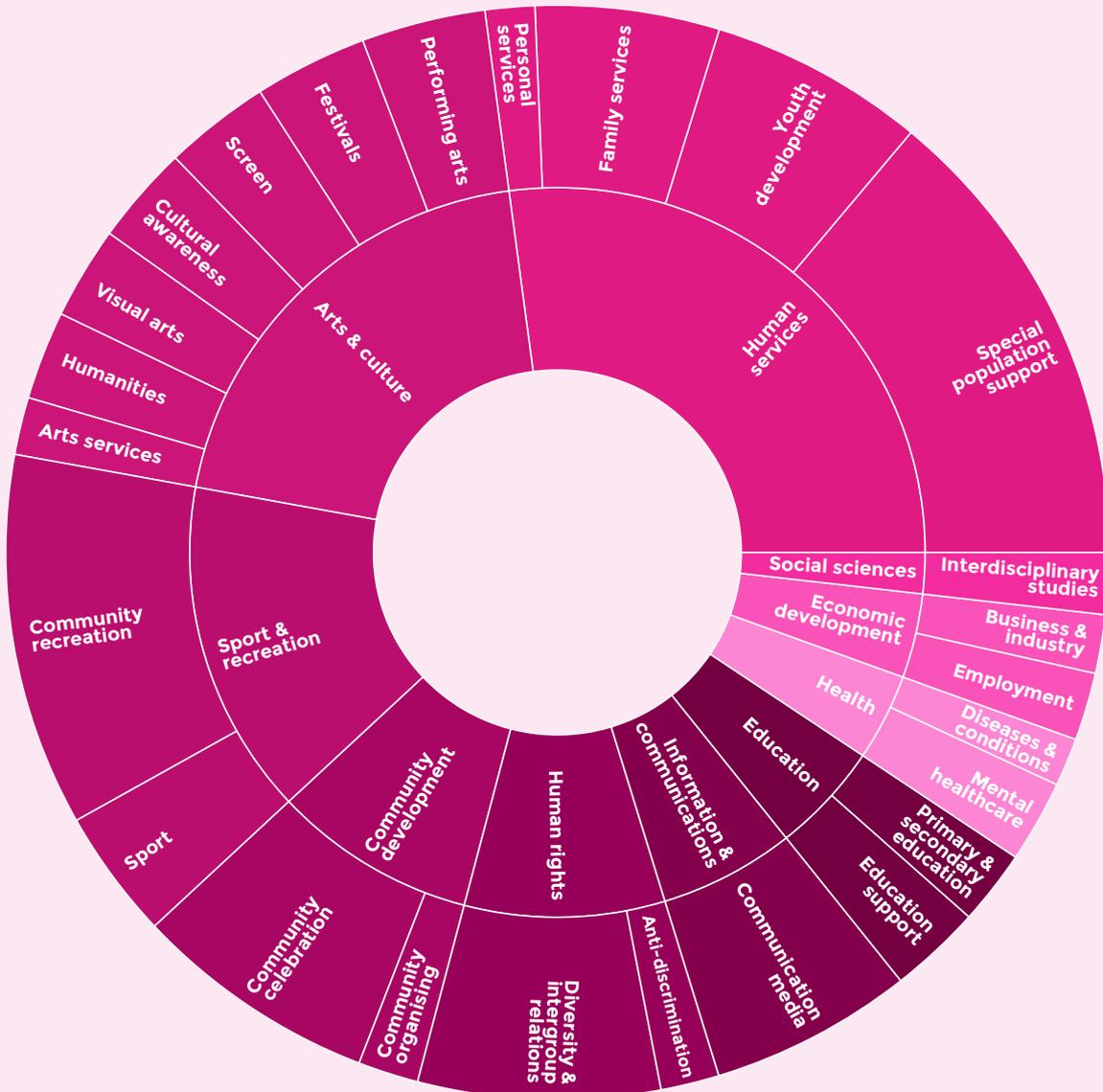
Funding for this SDG

A\$6 billion

Total funding for all SDGs

Rank in funding	#7
Average % of total funding allocated per year	8.6%
Average approval rate	38.5%
Change to % of funding allocated from 2019 to 2020	↓ 0.3%
Change in approval rates from 2019 to 2020	↑ 0.3%

Subjects mapped to SDG 10: Reduced Inequalities



Beneficiaries mapped to SDG 10: Reduced Inequalities



SDG 10 seeks to ensure equal opportunities for all, and in many cases overlaps with *SDG 5 Gender equality*. Many grants in the domains of human services, arts and culture and sport and recreation explicitly mention their intention to reduce inequalities, which reflects the fact that over 50% of the funding directed towards *SDG 10* aligns with those three sectors. Populations suffering from inequalities are beneficiaries of *SDG 10* funding; this includes but it is not limited to people with disabilities, migrants, children, women and Indigenous peoples.

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

11 SUSTAINABLE CITIES AND COMMUNITIES



A\$2.7 billion

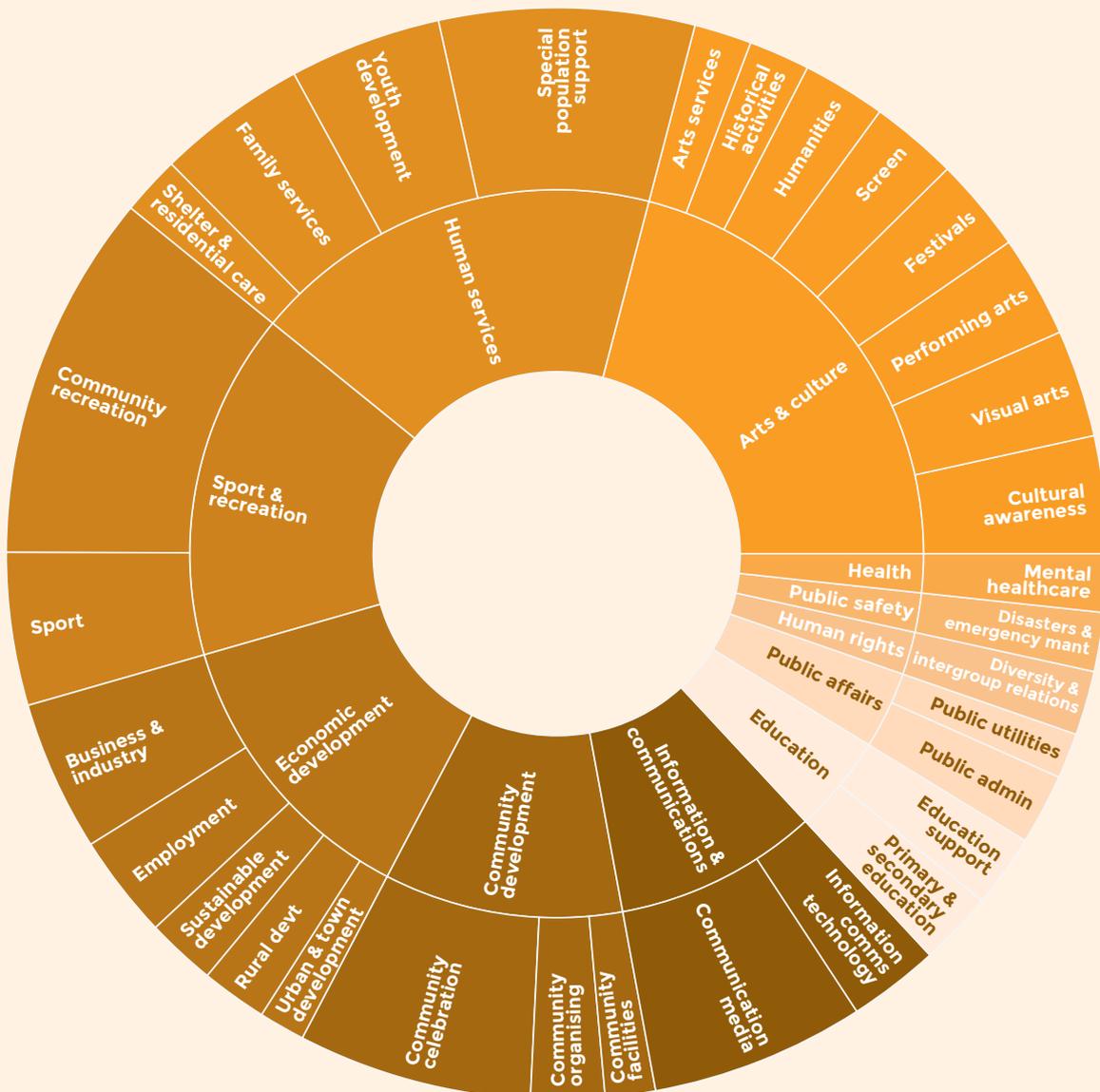
Funding for this SDG

A\$6 billion

Total funding for all SDGs

Rank in funding	#1
Average % of total funding allocated per year	17.0%
Average approval rate	37.4%
Change to % of funding allocated from 2019 to 2020	↓ 1.1%
Change in approval rates from 2019 to 2020	↑ 1.3%

Subjects mapped to SDG 11: Sustainable Cities and Communities



Beneficiaries mapped to SDG 11: Sustainable Cities and Communities



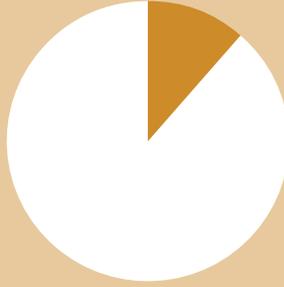
Missing labels sorted by bubble size: Victims/survivors and oppressed people, Parents & guardians, Self-employed people, People of African descent, Christians.

SDG 11 covers a wide range of domains and beneficiaries. At the community level we see projects related to accessibility (e.g. wheelchair ramps and toilets for people with disabilities), cultural awareness (e.g. festivals and community dinners), cultural and natural heritage, improvements of public spaces and nature reserves, and similar.

The wide coverage of this SDG and its direct alignment with the community sector might be the reason why *SDG 11* ranks #1 in funding allocation. More than a third of SmartyGrants clients are local councils looking after the sustainability of their cities, and their causes directly align with *SDG 11*.

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



A\$693 million

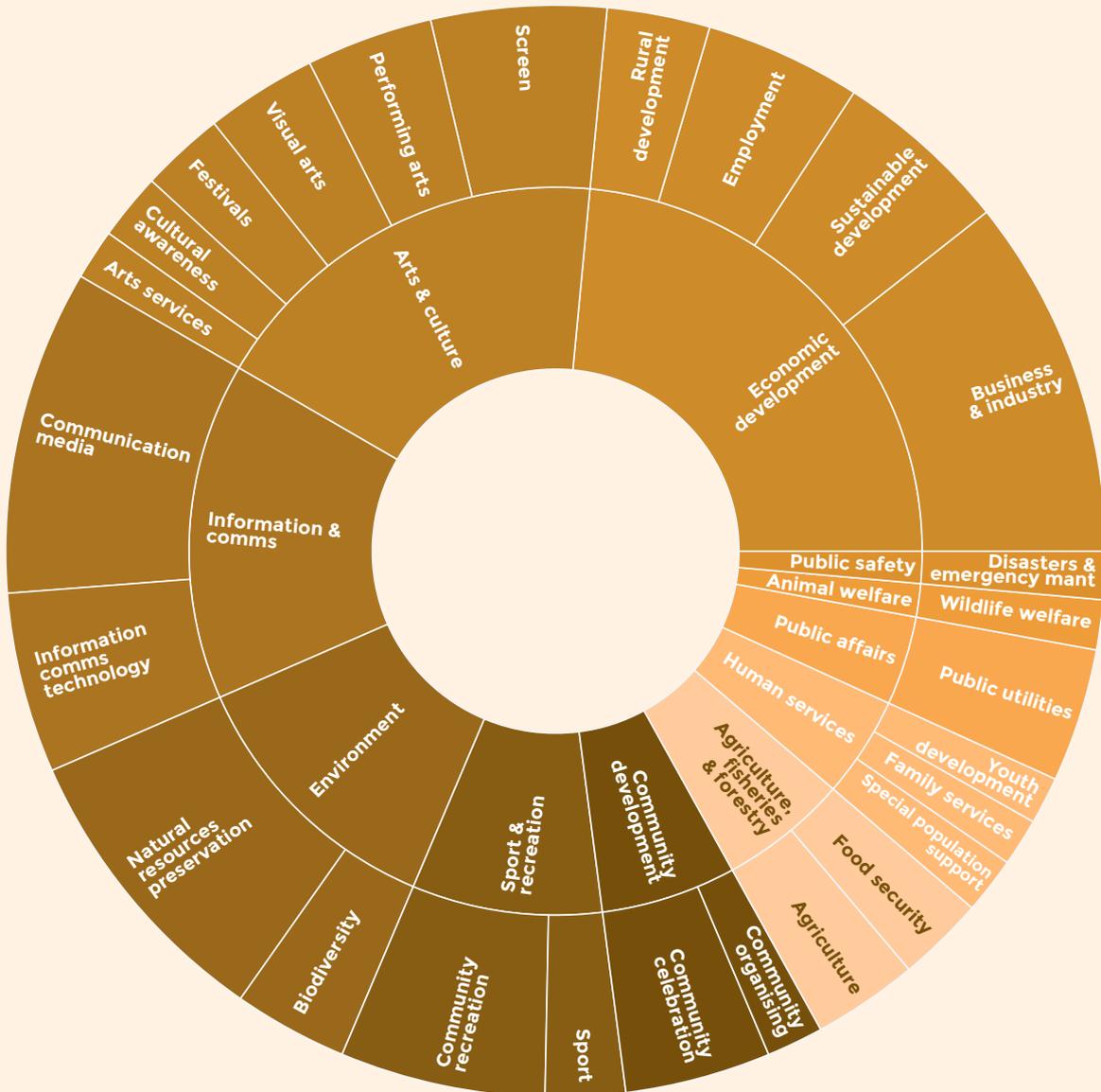
Funding for this SDG

A\$6 billion

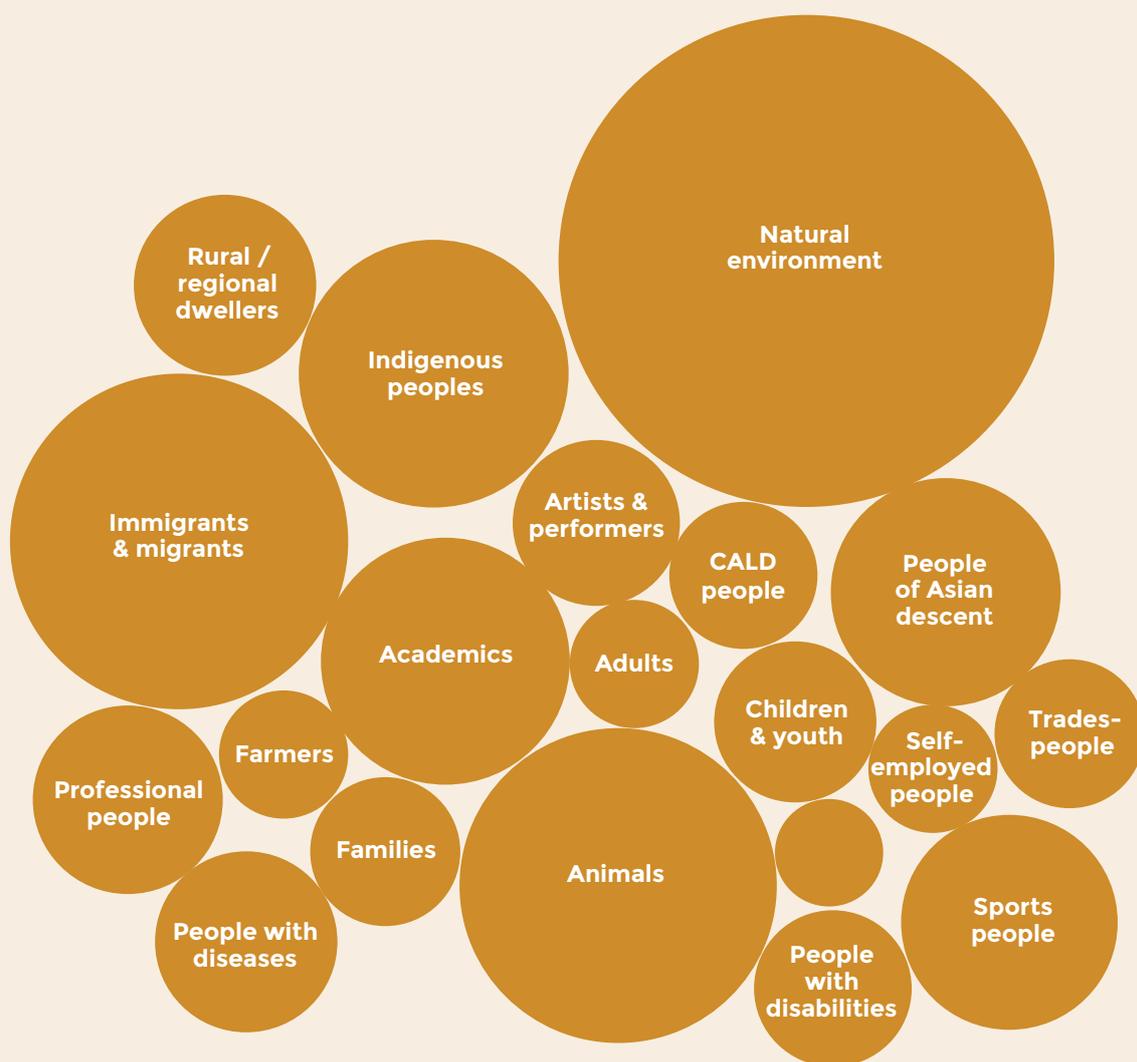
Total funding for all SDGs

Rank in funding	#8
Average % of total funding allocated per year	4.3%
Average approval rate	33.1%
Change to % of funding allocated from 2019 to 2020	↓ 0.3%
Change in approval rates from 2019 to 2020	↑ 5.3%

Subjects mapped to SDG 12: Responsible Consumption and Production



Beneficiaries mapped to SDG 12: Responsible Consumption and Production



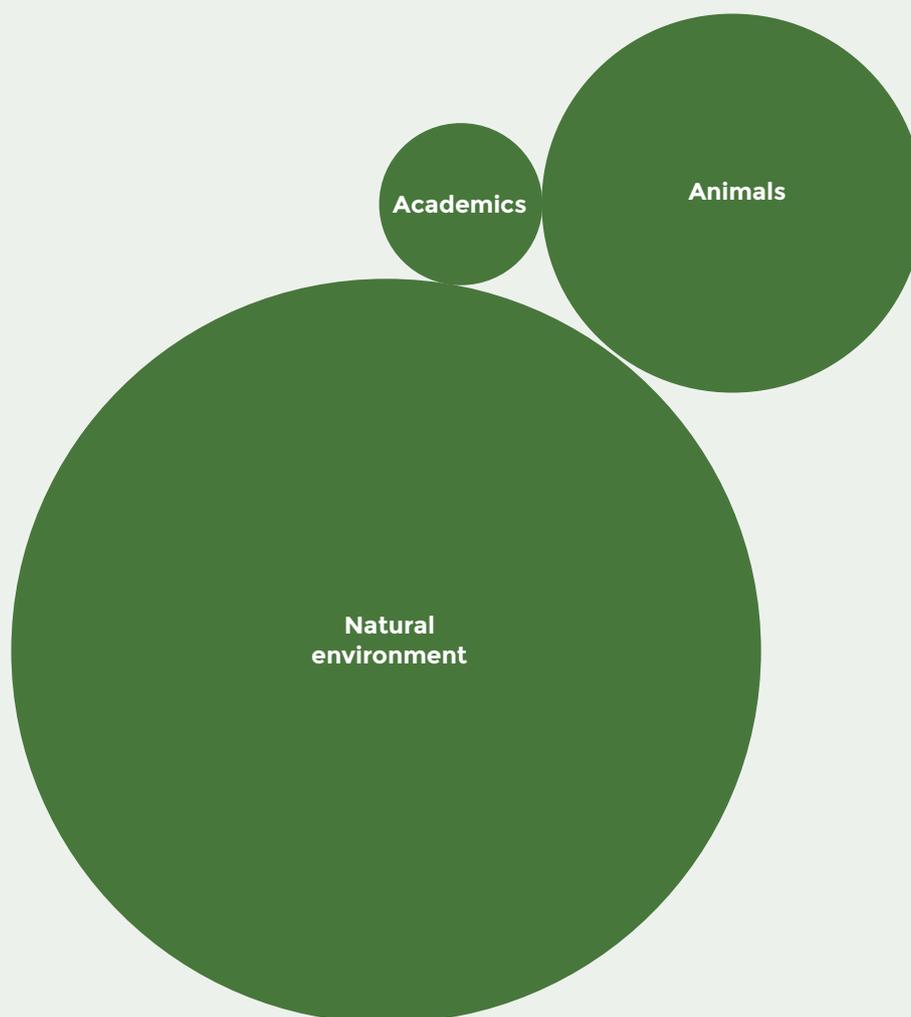
Missing label: People of European descent

In *SDG 12* we see economic development, information technology and environment come into play. *SDG 12* targets include waste management, food waste reduction, sustainable industries, and others, some of which are reflected in the beneficiary group 'natural environment'. Projects in the arts and culture sector, too, often advocate for responsible consumption and production. We also see how migrants and non-Australian populations in general often are beneficiaries of *SDG 12* grants. Part of this funding is going to other countries through international grants, aligning with target 12.1 which encourages all wealthier countries to take the lead and help low-income countries take action on responsible consumption.

Indigenous peoples are also key actors in *SDG 12* since Aboriginal cultures embed harmony between people and Country, and they consistently advocate for sustainability and environmental protection.

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

Beneficiaries mapped to SDG 13: Climate Action

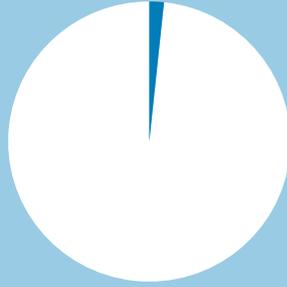
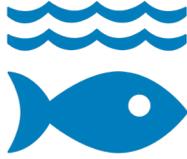


Not much funding is allocated towards *SDG 13 Climate action*, which ranks #11 in funding allocation. From 2013 to 2019 *SDG 13* was a low priority for SmartyGrants grantmakers. In 2020 the tables started to turn, with allocations jumping from 1.1% of SmartyGrants funding to 3.7% (more than double). The approval rates for *SDG 13* also changed dramatically, from 27.0% to 67.0%.

In general, SmartyGrants does not host grants for the science sector, which in Australia is the sector actively researching climate action (the few such grants that are hosted are reflected in the beneficiary group 'academics'). Thus, more than 50% of the grants shown here go to environment and economic development domains.

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

14 LIFE BELOW WATER



A\$109 million

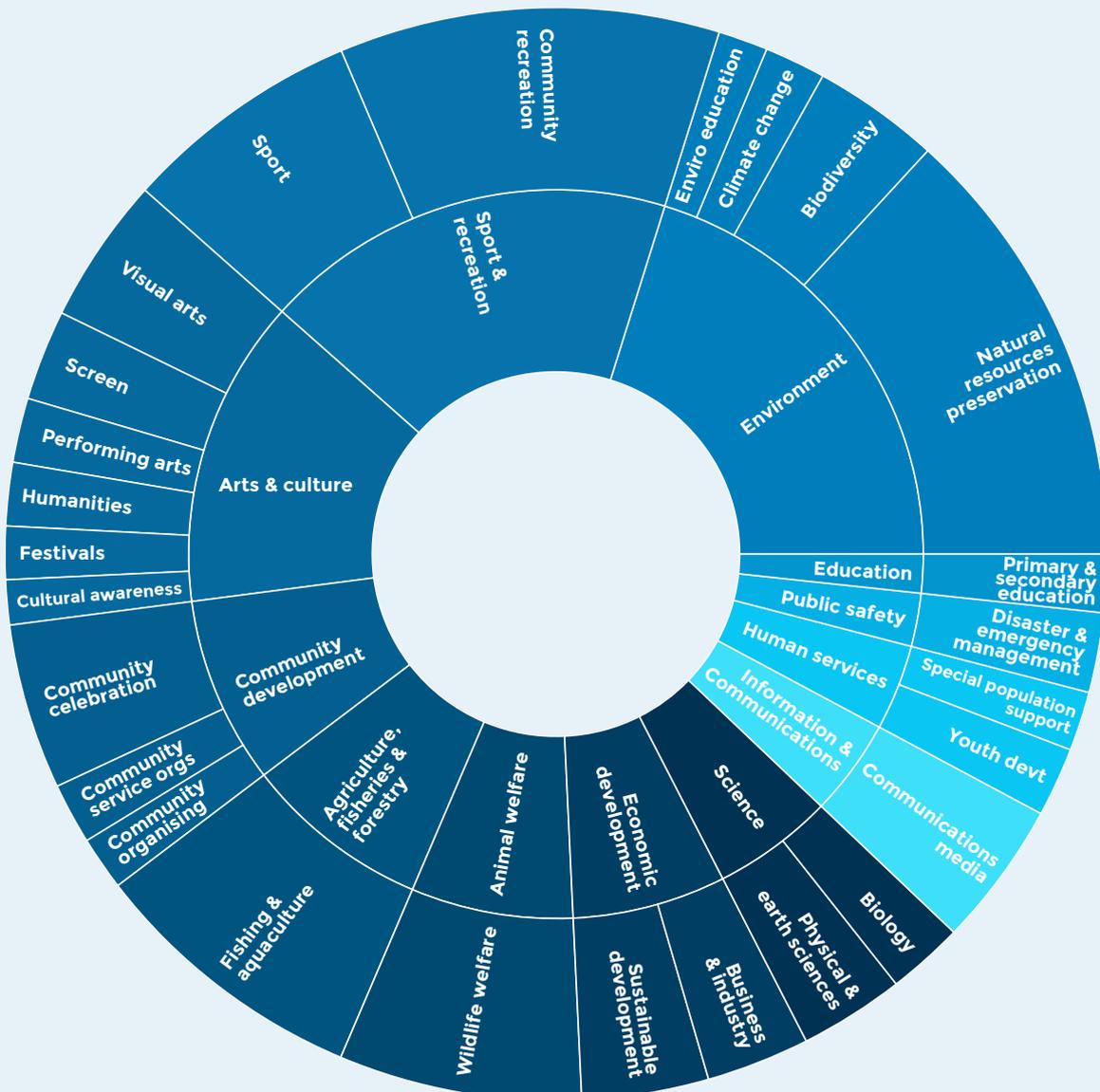
Funding for this SDG

A\$6 billion

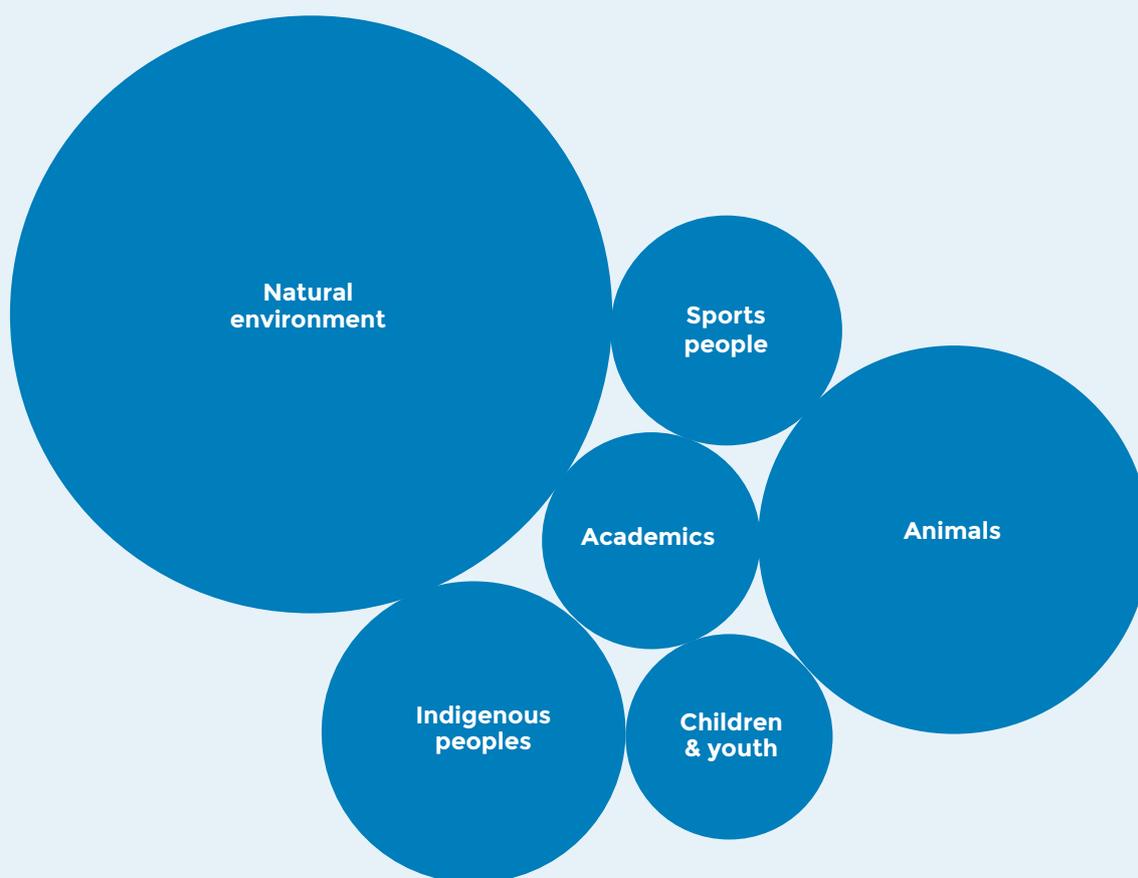
Total funding for all SDGs

Rank in funding	#14
Average % of total funding allocated per year	1.2%
Average approval rate	32.0%
Change to % of funding allocated from 2019 to 2020	↓ 0.2%
Change in approval rates from 2019 to 2020	↓ 13.6%

Subjects mapped to SDG 14: Life Below Water



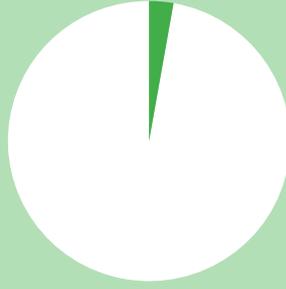
Beneficiaries mapped to SDG 14: Life Below Water



Little funding is distributed to *SDG 14* through SmartyGrants. It is the only environmental goal for which approval rates dropped: by 13.6 percentage points from 2019 to 2020, or from 31.0% to 17.5%. As expected, most of the grants aim to benefit the environment: biodiversity, natural resources preservation, and wildlife. Some arts and culture projects, too, advocate for marine life. This goal also attracts scientific research. We also see grants towards aquatic industries and towards activities related to agriculture and economic and community development, such as sustainable fishing (also reflected in the beneficiary group 'sports people').

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

15 LIFE ON LAND



A\$169 million

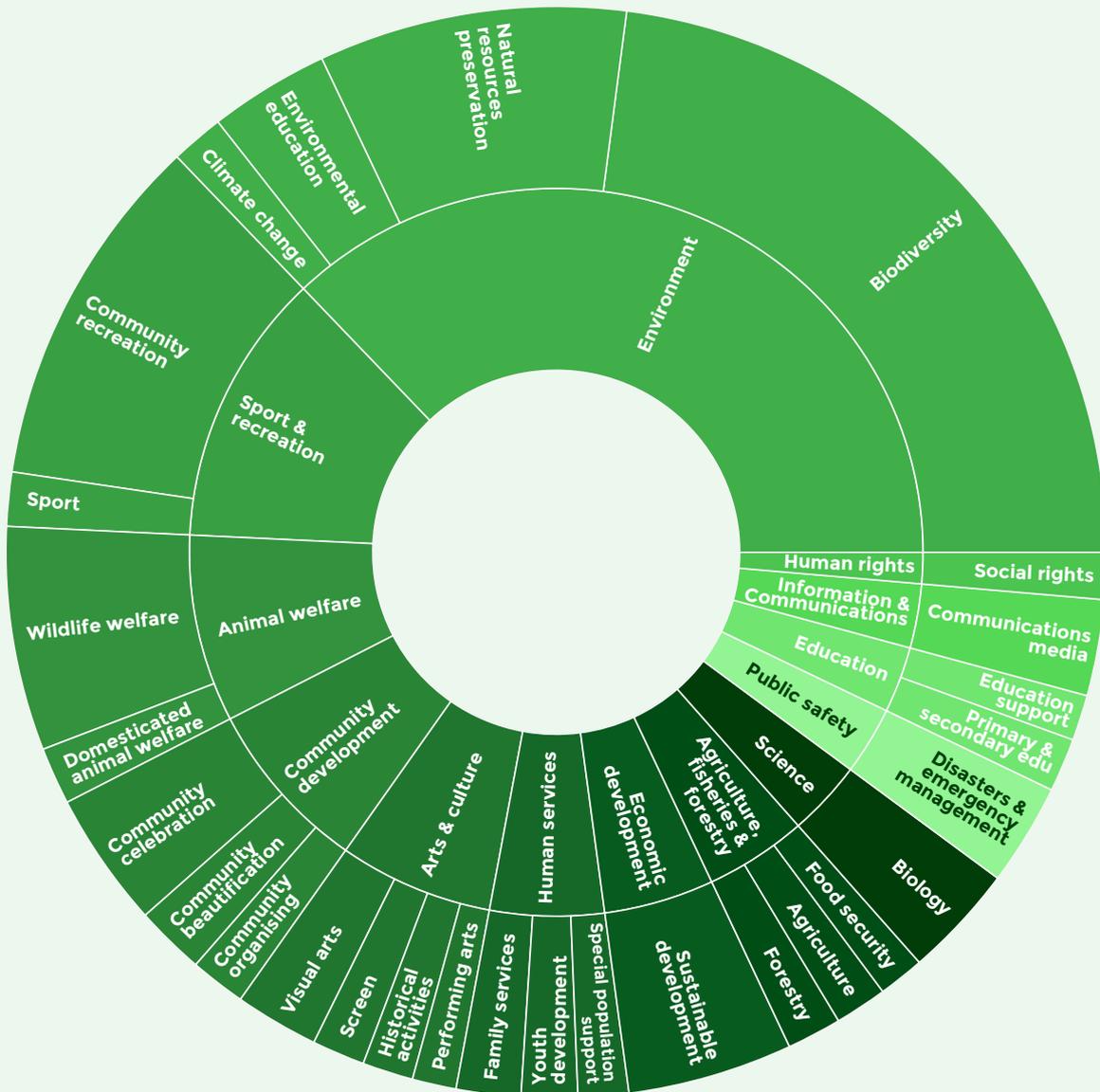
Funding for this SDG

A\$6 billion

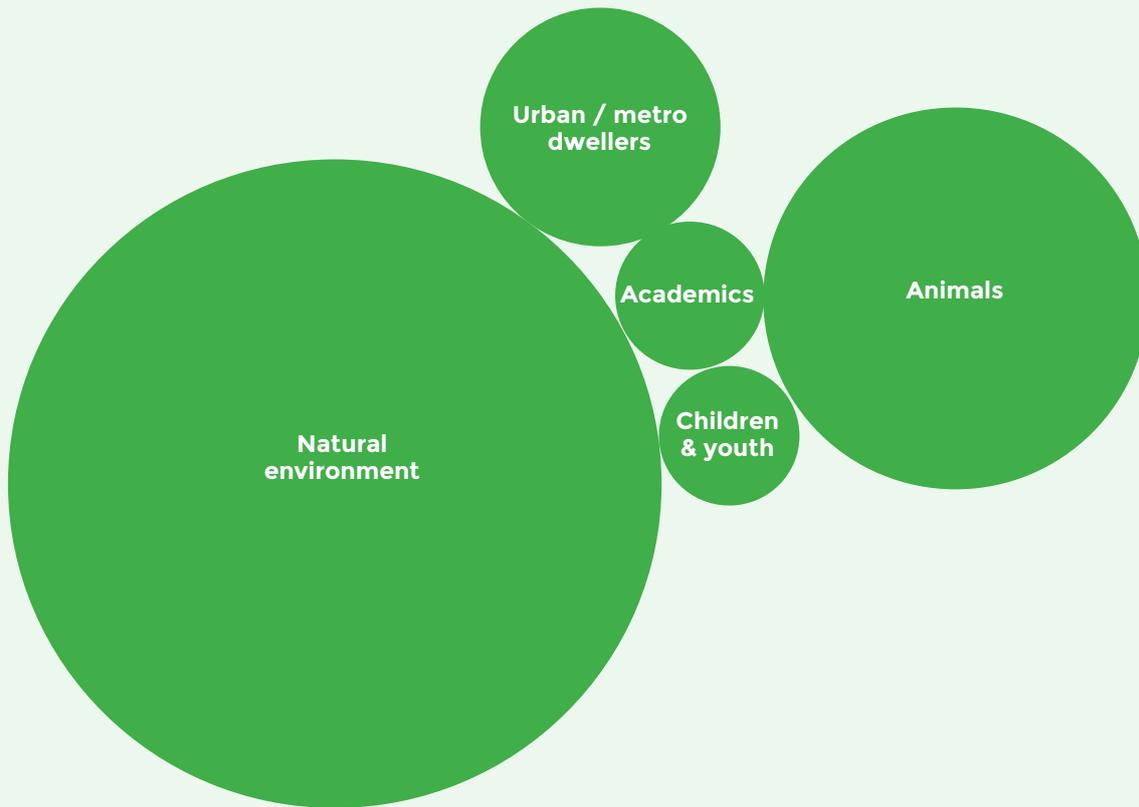
Total funding for all SDGs

Rank in funding	#12
Average % of total funding allocated per year	1.2%
Average approval rate	48.9%
Change to % of funding allocated from 2019 to 2020	↑ 0.3%
Change in approval rates from 2019 to 2020	↑ 19.9%

Subjects mapped to SDG 15: Life on Land



Beneficiaries mapped to SDG 15: Life on Land

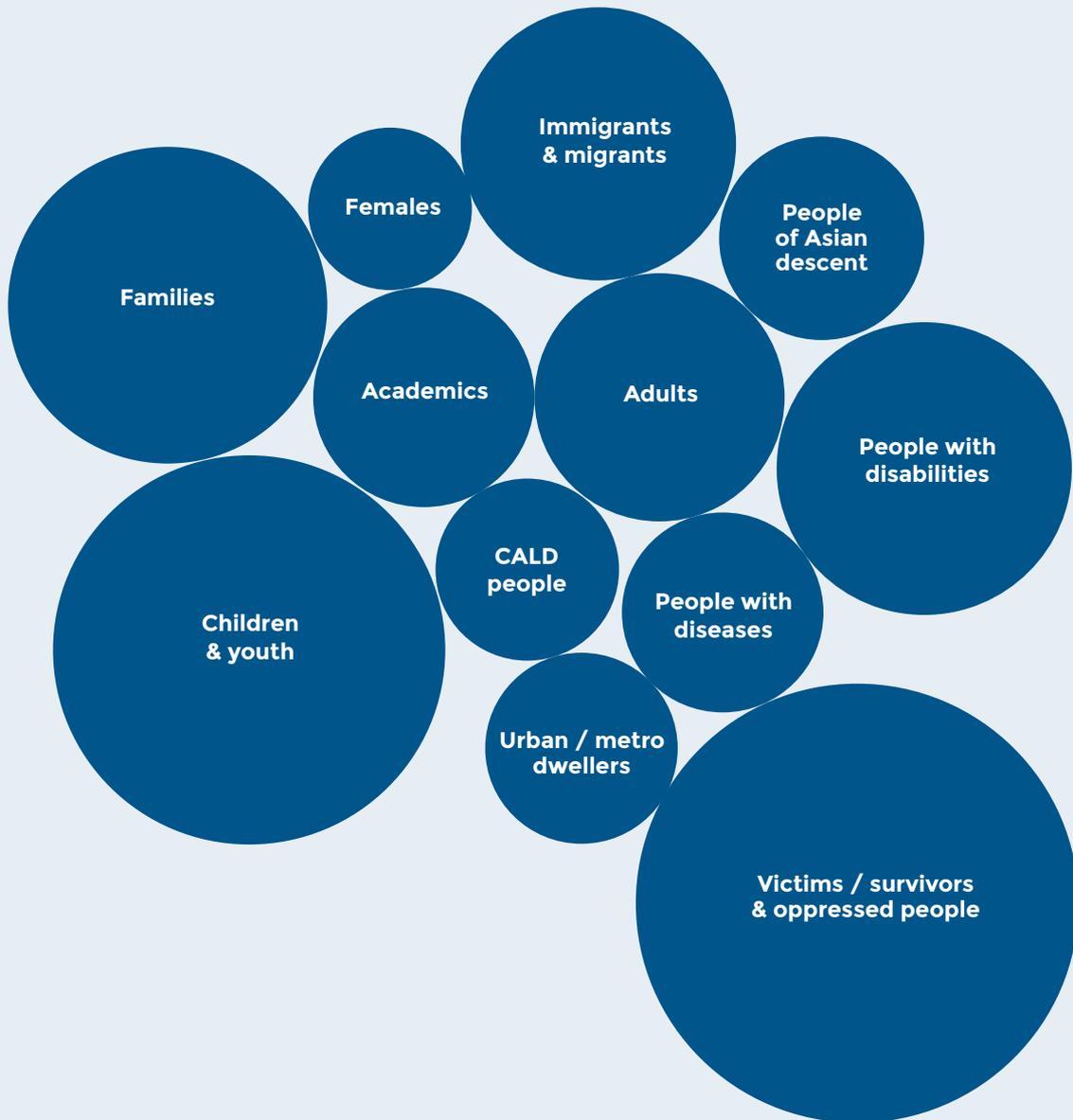


The majority of grants matching *SDG 15* go to the environment and animal welfare, overlapping all other sectors by small percentages. Like grants for *SDG 13 Climate action*, grants for *SDG 15* had a jump in approval rates from 25.0% in 2019 to 44.9% in 2020.

SDG 15 is one of the most specific goals and has a narrow and clear definition, thus the range of related projects is smaller than that of broader goals like *Good health and well-being (SDG 3)* and *Sustainable cities and communities (SDG 11)*.

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

Beneficiaries mapped to SDG 16: Peace, Justice and Strong Institutions

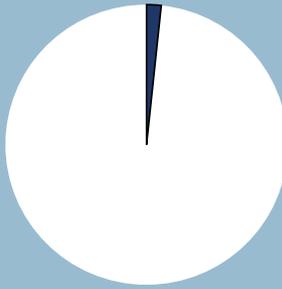


SDG 16 is quite specific with targets including conflict resolution, reduction of violence, rule of law and reduction of illicit weapons and financial activities. In the Australian context, grants related to *SDG 16* mostly provide funding for refugees, Indigenous peoples, people with disabilities, people with diseases, and the elimination of domestic violence and abuse of children.

SDG 16 ranks #13 in funding allocation, which is mostly distributed through human services, human rights, public safety, and health. Some funding goes towards media campaigns, public affairs, and education.

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

17 PARTNERSHIPS FOR THE GOALS



A\$114 million

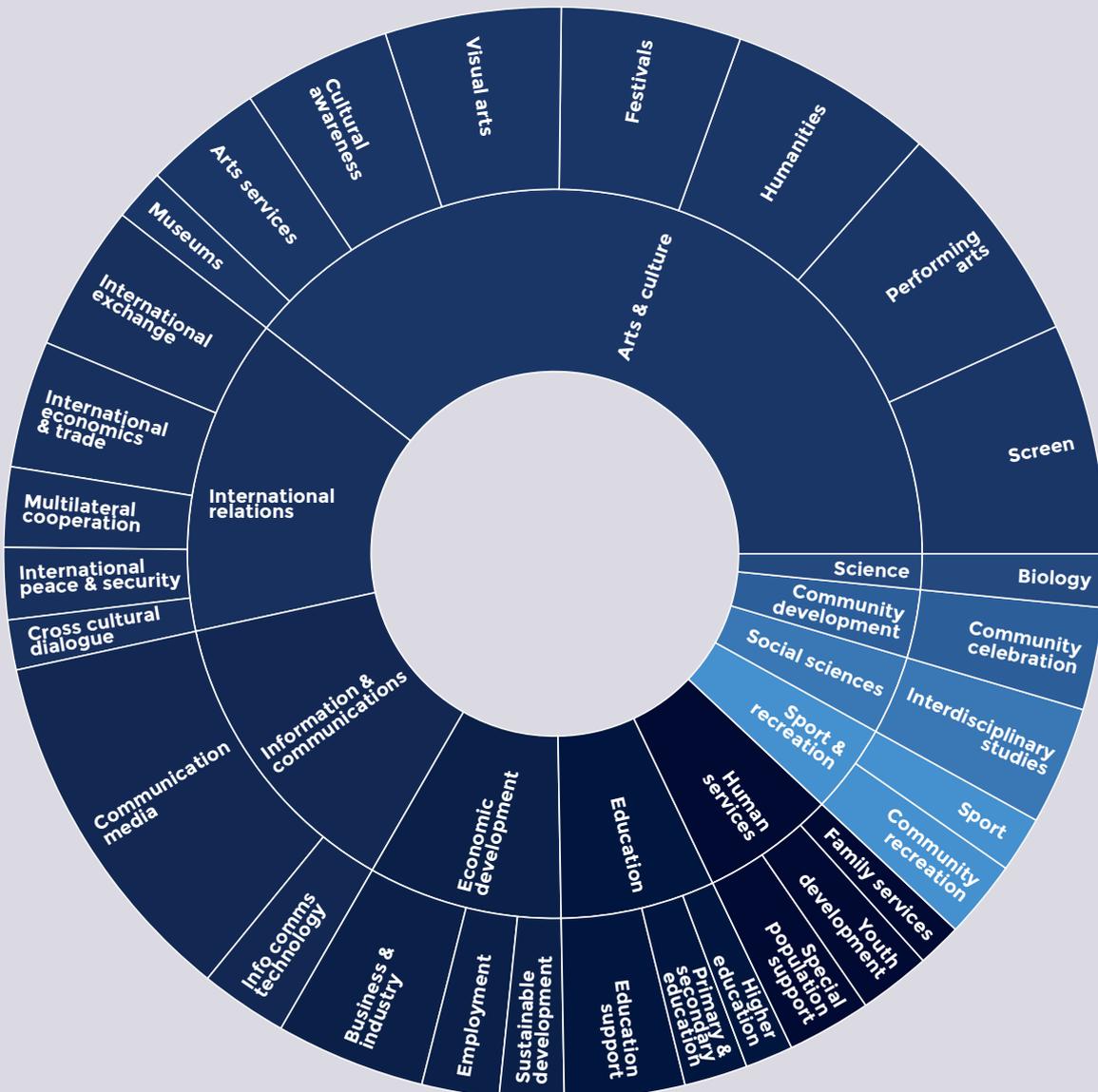
Funding for this SDG

A\$6 billion

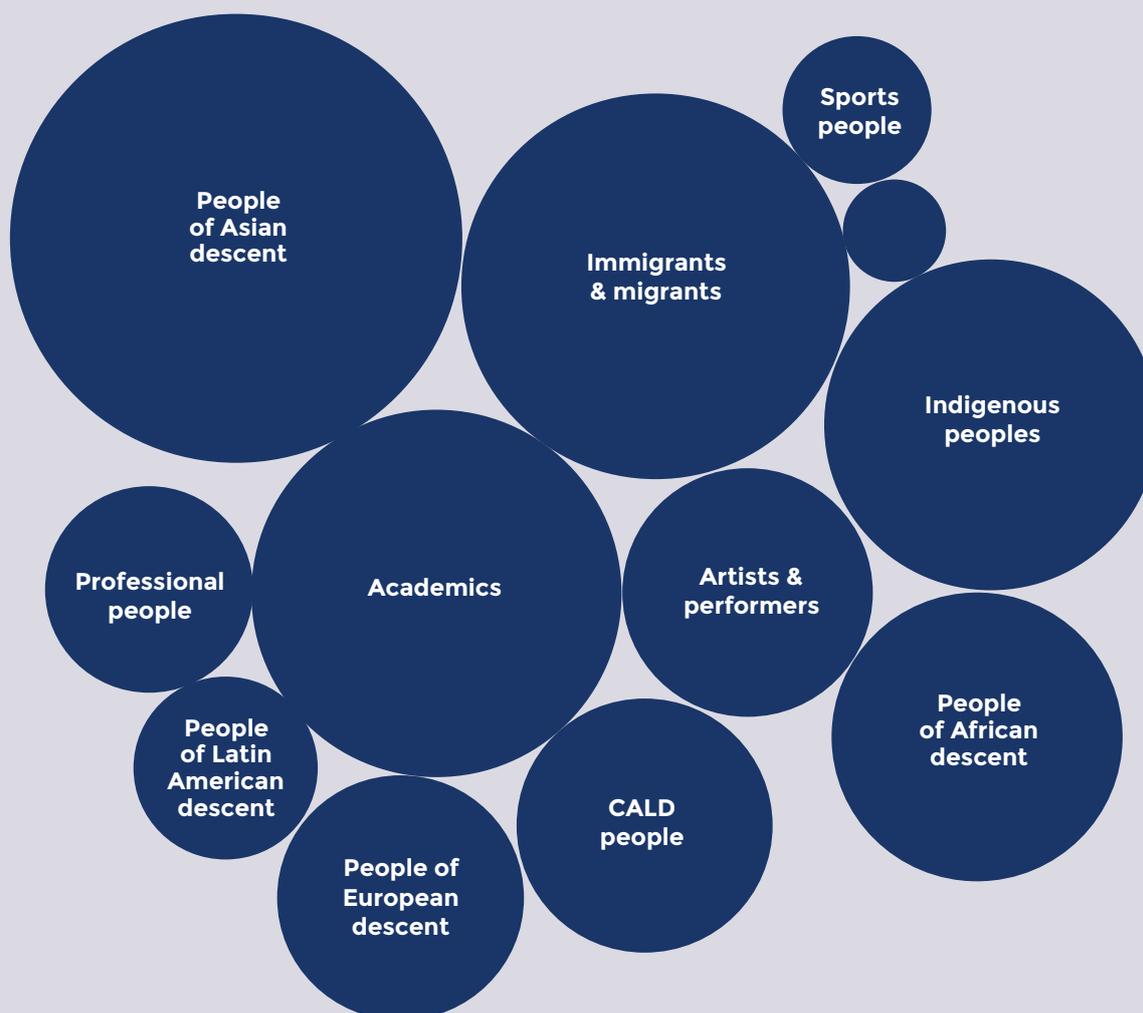
Total funding for all SDGs

Rank in funding	#15
Average % of total funding allocated per year	0.9%
Average approval rate	24.2%
Change to % of funding allocated from 2019 to 2020	↓ 0.7%
Change in approval rates from 2019 to 2020	↑ 3.5%

Subjects mapped to SDG 17: Partnerships for the Goals



Beneficiaries mapped to SDG 17: Partnerships for the Goals



Missing label: Tertiary education students

SDG 17 is the goal dedicated to partnerships and collaboration between countries, aid from wealthier countries to low-income nations, and general support. Most of the grants related to this goal align with the arts and culture sector supporting cultural festivals, visual and performing arts, documentaries, and humanity studies. 25% fall under international relations grants and 25% of communication media grants. Keep in mind that subjects can overlap, for example, some grant can be for arts and culture and communication and media at the same time. We can see that most Australian collaborations are with Asia, followed by Africa, Europe and Latin America. Grants for academics and students, often support student projects undertaken in different countries.

Very little funding has been allocated to this goal through SmartyGrants. *SDG 17* ranks #15 in the list, with only A\$100 million given since 2013. *SDG 17* might be more susceptible to biases in the auto-classification than other goals because of its open-ended targets and definition.

These are the results from a multilabel auto-classification of SmartyGrants data. Each grant application can be a good match for more than one SDG, subject and/or beneficiary. For more information about the specific SDG targets go to <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>.

Which subjects are not included in the definitions of the SDGs?

A\$270 million of funding distributed through SmartyGrants (4.5%) could not be categorised against any SDG category.

These grants were classified against CLASSIE subjects, to understand if there are funding objectives in Australia that do not align well to SDG targets.

We found that specific sub-sectors such as visual arts, humanities, community celebrations and sport do not fall under the scope of the SDGs. This might be because the SDGs do not encompass higher order goals to promote development of culture, self-esteem, creativity, and knowledge and instead emphasise lower order wellbeing factors such as physical health and security.

These sub-sectors only align with the goals (as we've seen in the pages above) when the grants include other objectives that overlap with the SDGs.

For example, a grant to help people with disabilities via art lessons may be considered an arts grant, but it can also be classified under *Good health and well-being (SDG 3)*. Some art projects also fall under *Industry, Innovation and infrastructure (SDG 9)*, while 'cultural awareness' activities often also fall under *Sustainable cities and communities (SDG 11)*.

Specific gaps

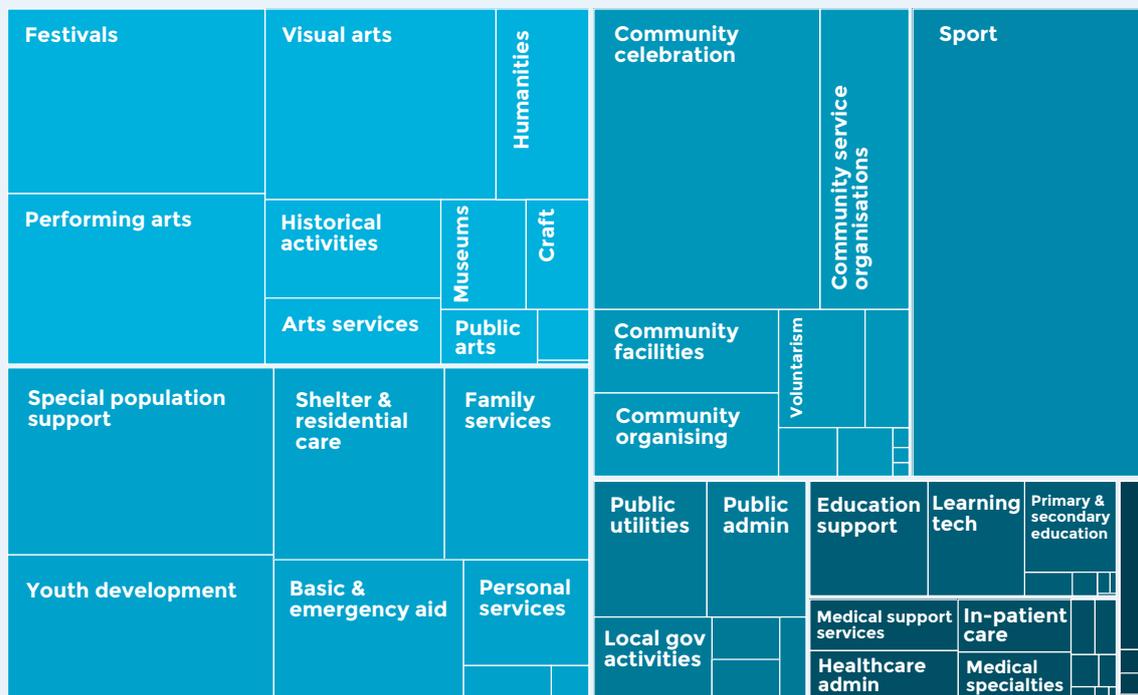


Figure 6. Subject gaps in SDG definitions. The size of the shapes represents the volume of applications. The shades of blue bundle the subject domains.

When looking through an SDG lens, funding directed towards art tends to be reduced to mental health benefits and sport tends to be reduced to physical health, disregarding any other benefits of these subject areas.

These findings demonstrate development and wellbeing factors that are not currently considered by the Sustainable Development Goals, and possible extensions for the next iteration of goals (for 2030-2045). Including higher order development and wellbeing factors may be an important step for the goals to be embraced in higher income countries, leading to greater cohesion in the measurement of development and wellbeing factors across the globe.

References

- Perpetual's 2021 Australian Philanthropy Insights Report.
<https://www.perpetual.com.au/insights/perpetual-2021-australian-philanthropy-insights-report>
- Is EU-funded research and innovation evolving towards topics related to the Sustainable Development Goals? A visual essay by SIRIS Academic.
<http://science4sdgs.sirisacademic.com/>
- Social Progress Index by the Centre for Social Impact.
<https://amplify.csi.edu.au/social-progress-index/>
- YouTube series on the Social Progress Index and the SDGs.
<https://www.youtube.com/playlist?list=PLsrOHY-8USXsPOKiq8SpOZ8IT2QsNNivJ>
- Observations on the SDGs by Seer Data & Analytics.
<https://seerdata.ai/sustainable-development-goals/>

Appendix: Methodology

The figures in this report derive from a subset of all SmartyGrants data that met our data quality requirements. This includes:

- Grants marked as accepted or declined (using the SmartyGrants standard field).
- Grants from Australian organisations only, and only those in Australian dollars.
- Grants that specify the amount requested and amount allocated (using the SmartyGrants standard fields).

To auto-classify the grants we used a multi-label approach that allowed each grant to be labelled with more than one CLASSIE category and/or more than one SDG. The figures in this report thus reflect overlapping classes, so the sum of the funding distributions shown will exceed 100%.

In other words, the sunburst and bubble charts presented for each SDG do not represent the true proportion of subjects or beneficiaries, but instead indicate the approximate percentage of funding that matches a subject or beneficiary.

We also use the CLASSIE hierarchy to show level 2 classifications for subjects (see the sunburst charts for each SDG) and level 1 classifications for beneficiaries. The SDG classifications include all the targets included under each goal. For more information about the auto-classification tool and its effects on the results presented here please contact us at

InnovationLab@ourcommunity.com.au.