



JOINT SDG FUND

SDG FINANCING: AN ENABLING ENVIRONMENT FOR SDG INVESTING

A new wave of financing strategies is being crafted in developing countries. These strategies can shape our tomorrow. This moment is happening in a unique crisis context - when recovery plans are being developed during the COVID-19 pandemic. The financing strategies created today may define whether we can build a world that is fairer and more sustainable in the decade to come. Integrated National Financing Frameworks (INFFs) can help countries define the “financing” behind the “policy”. They support an integrated approach to policy decisions and can frame a coherent UN system response at the national level. This brochure highlights the connection between the current social and economic recovery plans and the work of the UN system on INFFs under the broader SDG financing agenda.



62

Number of proposals approved



\$59 mil

Funding provided by SDG Fund

\$80mil

Total funding

WHY

COVID-19 has disrupted economic and societal patterns in ways unseen in our lifetime. Human lives have been lost, inadequacies of health and education systems have been exposed, and local economies have been ruined. While the virus has impacted everyone, it is affecting the world's poorest the hardest. Goalposts towards inclusive economic growth, GHG emission reduction, and infrastructure development were all falling short before COVID-19, and now an estimated 71 million additional people could be living in extreme poverty due to COVID-19. On top of that, the response to COVID-19 of large fiscal, monetary, and financial policy stimulus, if poorly orchestrated, may drain domestic resources from financing the SDGs. Achieving the transformative vision of the Sustainable Development Goals (SDGs) by 2030 calls for a major realignment of countries', companies' and even individuals' investment decisions. As larger volumes of public and private resources are spent and blended because of COVID-19, participatory mechanisms that enhance and measure SDG impact should be put in place.

WHAT _____

While many challenges and uncertainties remain, if the world is to “build back better”, we need to get the right policies in place and mobilize the required financing to implement them, as soon as possible. Recognizing this, the UN Joint SDG Fund provides the UN system with grants to help countries develop financing strategies and ecosystems for accelerated SDG public and private investment. Amid the COVID-19 crisis more than 100 countries, including LDCs, SIDS, and countries experiencing conflict and fragility submitted proposals to the Joint SDG Fund. 62 countries with outstanding ideas to operationalize SDG-aligned financing frameworks were selected for funding. While only two-thirds of these programmes aim to develop a comprehensive INFF, all utilize INFF building blocks. The UN is leveraging its collective assets to support governments in developing INFFs that will enable countries to understand and facilitate financing for COVID-19 recovery plans while also aiming to develop longer term interventions that ensure a green, equitable and resilient recovery by 2030. The INFF is not a short term solution to the current crisis, but a process and an infrastructure that can support governments prioritise and sequence financing policy reforms that can both support in the response and recovery phases and for long-term sustainability.

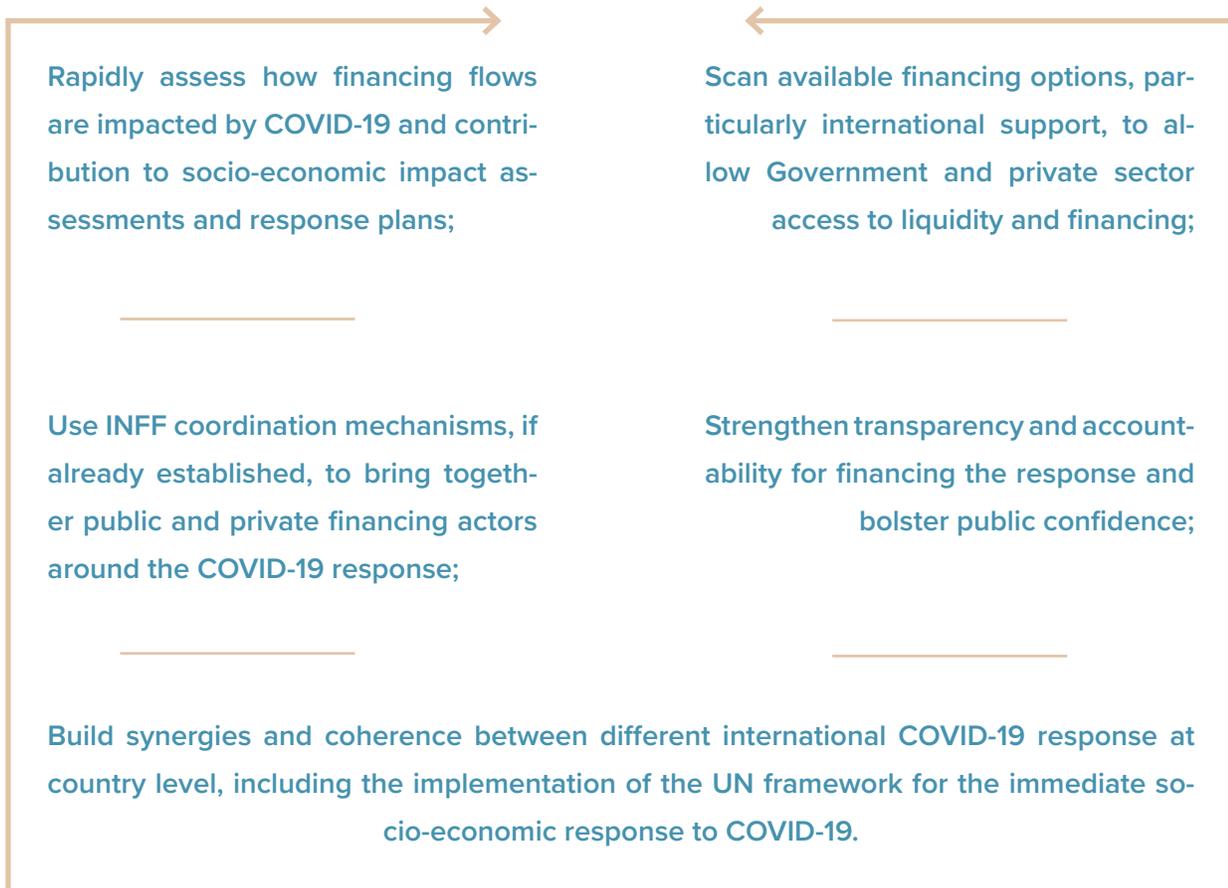
HOW _____

The 62 Joint Programmes constitute a pioneering wave of actions aimed at strengthening SDG financing planning and delivery capacity at the country level, including by:

- **Understanding the financing landscape:** identifying & understanding gaps and impacts of financing strategies & recovery plans, including health & social protection measures and longer-term climate resilience
- **Building a new generation of SDG-aligned financing frameworks (INFFs):** helping countries incorporate risk management in financial planning; budgeting for the SDG; enhancing public investment plans formulation, etc. learn more about INFF at inff.org
- **Bringing new levels of transparency and participation:** gathering consensus and aligning development and recovery efforts with the SDGs by monitoring SDG aligned national, sub-national and sectoral financing strategies and solutions
- **Strengthening the “Ecosystem”:** enhancing the capacity of national institutions and actors (public and private) to design and implement integrated financing frameworks and solutions

INFFs and COVID-19

INFFs can contribute to “build back better” by linking recovery strategies and plans to risk-informed and sustainable financing policies and solutions. INFFs are being designed at the same time the UN Framework for the Immediate Socio-Economic Response to COVID-19 and national recovery plans are formulated and implemented. Measures taken during the crisis response can lay the groundwork for more comprehensive financing framework that requires time to nurture. While the full articulation of INFFs will take time, elements can be implemented in the short-term and help guide the immediate crisis response, including:



These linkages are acknowledged in various COVID-19 socio-economic response plans. The following countries and UNCTs are integrating their support to countries to design INFFs in their Socio-Economic Response Plans: Bangladesh, Cabo Verde, Cambodia, Colombia, Costa Rica, Djibouti, Ecuador, Gabon, Ghana, Jordan, Kenya, Kyrgyzstan, Lesotho, Maldives, Mongolia, Rwanda, Togo, Uzbekistan and Viet Nam.

Country highlights

CABO VERDE: Sustainable, Integrated and Inclusive Finance Framework

The country's first INFF is set to create the enabling framework to drive key transformations in Cabo Verde's path to build a sustainable ecosystem. The project supports Cabo Verde as it prioritizes public expenditure based on key needs identified in its SDGs RoadMap, including the establishment of M&E systems to track impact and explore innovative financing solutions. A deeper analysis of COVID-19 impact, a Covid-19 Recovery Needs Assessment, and a costing exercise for the NRRP constitute the next steps of this project.

CAMBODIA: Integrated National Financing Framework to Catalyze Blended Finance for Transformative CSDG Achievement

As an immediate response to the crisis, UNDP and UNCDF supported the Government with research and policy analysis on modelling the economic and social impacts of COVID-19 and the related investment requirements for recovery. An SDG Impact Investor Map, along with 22 potential investment opportunities, was also finalized.

COLOMBIA: Roadmap for an Integrated National Financing Framework in Colombia

The UN supported the development of Colombia's COVID-19 response framework and Socio and economic impact analysis with a pilot/simulation model analyzing how the COVID-19 scenario will impact the SDG financing gaps. An SDG Investor Map was also finalized highlighting 22 investment opportunities across 7 prioritized SDG related sectors.

COSTA RICA: Strengthening Costa Rica's SDG Financing Architecture Through Resource Alignment with National Goals and Improved Education Sector Public Spending

The new context and fiscal crisis scenario were analyzed resulting in the development of 10 short-term measures for Government adoption to tackle the effects of the pandemic in alignment with the development of an INFF.



GHANA: Accelerating Attainment of SDGs

The country developed key initiatives to gather and analyze data focusing on the district level: the COVID-19 Local Economies and a COVID-19 Business Tracker Report. These initiatives will support the digital access to markets and the digital transformation, while also targeting women to be part of the investments.

JORDAN: Accelerating Progress Towards SDGs with an Integrated Financing Framework

COVID-19's impact on Jordan is expected to be large and compounded by persistent regional instability, years of low growth, and fiscal crises. This programme will develop a pilot focused on strengthening linkages between planning, budgeting, and financing and work with the largest investment vehicles in Jordan to align their portfolios to the national SDG priorities. In the first few months of implementation, a Climate Public Expenditure review was initiated along with a training series on impact measurement and management.

MALDIVES: Operationalizing Integrated National Financing Framework to prioritize and mobilize financing for Climate Action and Quality Social Service Delivery

The prolonged pandemic exhibited the country's healthcare system's weaknesses. The UN reacted by advocating for enhanced financial sustainability for the healthcare system and provided technical assistance to review the healthcare financing system.

UZBEKISTAN: Establishment of an Integrated National Financing Framework

Strategic advisory services to the Government of Uzbekistan in two interrelated areas of work - COVID-19 response and formulation of the Poverty Reduction Strategy - were initiated. Technical and policy advice to senior government officials was provided, focusing on medium and long-term poverty reduction priorities, with attention to SDGs, social protection, labor market policies, entrepreneurship, and regional development and data issues.

GABON: Gabon and the SDGs "Beyond Oil" - Financing a Rapid and Sustainable Transition from a "Brown" to a "Green" Economy

The supported diagnosis of public finance (national budget, technical and financial partners) after COVID-19 was drafted and included in the country's COVID-19 recovery plan. This analysis will be enlarged to other sectors within the planned financing landscape diagnostic.



Inspired by the Secretary General's reform of the United Nations, the Joint SDG Fund supports the acceleration of progress across all 17 Sustainable Development Goals. We incentivize stakeholders to transform current development practices by breaking down silos and implementing programmes built on diverse partnerships, integrated policies, strategic financing, and smart investments. To get the 'world we want' we need innovative solutions that fast-track progress across multiple development targets and results, and contribute to increasing the scale of sustainable investments for the SDGs and 2030 Agenda.

Sustainable Development Goals

- 1 No Poverty
- 2 Zero Hunger
- 3 Good Health and Wellbeing
- 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

The [Joint SDG Fund](#) receives support from the European Union and governments of:

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