

FINANCING A GREEN, INCLUSIVE AND SUSTAINABLE RECOVERY – JANUARY 2021- DECEMBER 2023

JOINT PROGRAMME PROPOSAL

Expected Outcome:	The UN System contributes to a green and inclusive recovery from the COVID-19 pandemic by harnessing the power of financial systems to support the SDG Decade of Action, access of developing countries to sustainable finance, Multilateral Environmental Agreements (including the Paris Agreement on Climate Change) and the UN Food Systems Summit
Expected Outputs:	<ol style="list-style-type: none">1. Scaling up climate finance2. Improving the access of countries to sustainable finance, especially in LDCs and SIDS3. Accelerating innovative and digital funding mechanisms for the SDGs4. Channeling private investment to the SDGs5. Supporting food systems transformation in support of the SDGs.

Implementing Agencies:	United Nations Development Programme (UNDP) United Nations Environment Programme (UNEP) United Nations Department of Economic and Social Affairs (UN DESA) Executive Office of the Secretary General (EOSG)
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In close collaboration Local2030, UNCDF, and Food Systems Summit Team and other partners.

<p>Programme Period: 2021-2023</p> <p>Atlas Award ID:</p> <p>Anticipated start and end dates: 1 January 2021 - 31 December 2023</p> <p>Management Arrangements: MPTFO as administrative agent/ pass-through modality.</p>	<p>Total aspirational budget: US\$ 20 million - Funded budget: € 4,7 million</p> <p>Sources of funded budget: Italy: 4,7 million euro</p> <p><i>* Total aspirational budget includes both programme and indirect costs</i></p>
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Executive Summary:

The project will build on the Multi-Partner Trust Fund (MPTF) established with the support of the Governments of Italy and Germany as an initiative of the Secretary-General to support his strategy to scale up finance for the 2030 Agenda. The effort was followed shortly after by the Secretary-General Strategy for Financing the 2030 Agenda for Sustainable Development with the aim of transforming the financial system, from global to local levels, in support of the 2030 Agenda by addressing the barriers that constrain channeling finance towards sustainable development and leveraging opportunities to increase investments in the SDGs at scale.

In the years since the adoption of the Strategy, the financing landscape has changed significantly and with this new cooperation with the Government of Italy to harness the power of financial systems for inclusive and sustainable development in the current context. In 2020, the first year of the Decade of Action, the COVID-19 pandemic has dramatically set back progress towards both financing and achieving the SDGs. The SDG Financing Gap is estimated to increase by up 70% to US\$4.2 trillion by the end of 2020 due to both escalating needs and declining resources. It is in this context that the bilateral partnership between the Italian Ministry of Environment and the Executive Office of the Secretary-General of the United Nations for the years 2021-2023 has been envisioned.

The partnership seeks to enhance synergies between the agendas of the Government of Italy and the United Nations to harness the power of the global financial system in support of the 2030 Agenda and Paris Agreement on Climate Change, bearing in mind that Italy is poised to play a key role in advancing the Financing for Development Agenda as President of the G20 until November 2021, co-host of UNFCCC COP26, and host of the pre-Summit on Food Systems. The cooperation also aims to provide targeted support to vulnerable countries and regions including SIDS, LDCs, and the Sahel, which are key geographical areas of focus for both entities, and which have been disproportionately affected by the COVID-19 crisis.

The pathways, or theory of change, to achieve this goal are as follows: If the UN System, in collaboration with partners, harnesses the power of financial systems, facilitates access of developing countries to sustainable

finance, leverages climate finance and digital finance, with a focus on SIDS, LDCs, Africa, and in particular the Sahel, and supports the alignment of food systems with the SDGs, then Member States will have the capacity to foster a green and inclusive recovery from the COVID-19 crisis, consistent with the 2030 Agenda for Sustainable Development and Multilateral Environmental Agreements, including the Paris Agreement on Climate Change. The five areas that have been identified are: (i) scaling up green finance; (ii) improving the access of countries to sustainable and green finance; (iii) accelerating innovative and digital funding mechanisms for the SDGs; (iv) channeling private investment to the SDGs; and (v) supporting food systems transformation in support of the SDGs

On behalf of EOSG:

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Date: 7/12/2020

On behalf of UNDP:

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On behalf of UN DESA:

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On behalf of UNEP:

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Date: 7/12/2020

1. Introduction

1.1 Context for the Strategy for Financing the 2030 Agenda

The Sustainable Development Goals (SDGs) represent tremendous investment opportunities, in the order of trillions of dollars. Yet despite growing momentum for investments in sustainable development, the financing gap remains significant. A major challenge in financing the 2030 Agenda has been attracting and directing public and private investments to areas that support the achievement of the SDGs. Financing for sustainable development, guided by the SDGs, including SDG 17, and the Addis Ababa Action Agenda requires action by diverse actors – Governments fostering enabling environments for financing and investment; the private sector mobilizing for long-term investment; and champions of innovation developing new solutions for financing the 2030 Agenda and the Paris Agreement on Climate Change.

To enhance the role of the UN in this critical endeavor, in December 2017, already with generous support from the Governments of Italy and Germany, a Multi-Partner Trust Fund (MPTF) was established as an initiative of the Secretary-General to support in fully developing and implementing his strategy to scale up finance for the 2030 Agenda. In September 2018, the Secretary-General launched the Strategy for Financing the 2030 Agenda for Sustainable Development with the aim of transforming the financial system, from global to local levels, in support of the 2030 Agenda by addressing the barriers that constrain channeling finance towards sustainable development, and leveraging opportunities to increase investments in the SDGs at scale.

A three-year Roadmap of actions and initiatives (2019-2021) to implement the Strategy was also developed. The Strategy for Financing the 2030 Agenda focuses on three objectives, namely

1. Aligning global economic policies and financial systems with the 2030 Agenda.
2. Enhancing sustainable financing strategies and investments at regional and country levels.
3. Seizing the potential of financial innovations, new technologies and digitalization to provide equitable access to finance.

Since the adoption of the Strategy, the landscape has changed significantly at many levels. The COVID-19 pandemic has affected lives and livelihoods all over the world. An effective response towards recovering better requires an accelerated implementation of the Strategy for Financing the 2030 Agenda and a revamped perspective on how to support countries amid a development emergency. The climate crisis also continues unabated, and investments are urgently needed to ensure a healthy and safe future for people and planet.

In this context, the partnership between the Italian Ministry of Environment and the Executive Office of the Secretary-General of the United Nations will play a catalyzing role towards the SDGs and climate action. This document is intended as a general framework for such collaboration for the period of 2021-2023.

1.2. The Impact of the COVID-19 Pandemic on Financing Sustainable Development

The COVID-19 pandemic quickly morphed into a triple crisis – health, humanitarian and economic – with a devastating impact on all aspects of our lives.

With over 55 million known cases and 1.3 million deaths worldwide as of mid-November 2020, it is first and foremost a global health crisis. But the measures needed to limit the spread of the virus also resulted in the worst economic crisis in living memory, with the International Monetary Fund (IMF), the Organisation for Economic Co-operation and Development (OECD) and the World Bank expecting global GDP to contract by 4.4%, 4.5% and 5.2% respectively; and global remittances and FDI by 20% and 40% respectively. Global trade will likely have fallen by 9.2% in 2020. An estimated 495 million full-time equivalent jobs were lost by September 2020. More dramatically still, the pandemic is likely to increase by up to 115 million the number of people living in extreme poverty and will double the number of people facing food shortages to 265 million, with several countries threatened by famines unless swift action is taken.

Member States today face an increasingly complex financing context. Many countries have also taken the extraordinary step of dispersing huge counter-cyclical fiscal stimulus packages – amounting to US\$12 trillion globally – but the majority of this has been implemented in advanced economies. Only 2% of this fiscal stimulus has been spent in least developed countries. Many developing economies therefore face constrained fiscal environments in addition to looming debt overhangs; this threatens a wave of sovereign default.

Vulnerable countries, including Least Developed Countries, now face significant financing needs to improve resilience at exactly the moment that investors are becoming more risk averse and find their fiscal environments tightened. Small island states, many tourism-dependent, are not only struggling with the economic impacts of COVID-19, but also face growing climate-related external shocks and onerous market access conditions. Yet these countries' access to concessional financing and to the Debt Service Suspension Initiative (DSSI) is limited by their middle-income status.

This has severely worsened the financing gap to achieve the SDGs. Before the crisis, efforts to ensure adequate financing levels for the 2030 Agenda were consistently insufficient, with a persistent financing gap of at least US\$2.5 trillion per year. According to the OECD, the SDG financing gap could increase by 70% to US\$4.2 trillion in 2020 as a result of the US\$1 trillion gap in COVID-19 emergency spending in developing countries along with an estimated US\$700 billion drop in external private financing. Reallocating just 1.1% of the available US\$379 in global assets could be enough to fill this gap and avoid derailing efforts to achieve the SDGs

To meet the SDGs, several factors need to be addressed. The lack of common definitions/standards, capacity building, the high (perceived) risk of investing in sustainable assets and limited familiarity with non-conventional financial instruments (including concessional or blended finance structures) all contribute to the limited sustainable investments in many developing countries.

In 2021, the international community will set important global environmental agendas, which would shape the framework of sustainable finance and represent opportunities to increasing access to sustainable and green finance and to build back better. Key landmarks are the COPs of the three Rio Conventions: the definition of the post-2020 biodiversity global framework at the COP15 of the CBD, the elaboration of carbon markets at COP26 of the UNFCCC, and the COP15 of the UNCCD.

1.3. The UN's Response and Priorities for Action

To help Member States recover from the crisis, the UN has deployed a socio-economic response framework that consists of an integrated support package offered by the United Nations Development System (UNDS) to protect the needs and rights of people living under duress during the pandemic, with a particular focus on the most vulnerable countries, regions, groups, and people who risk being left behind.

One of the five streams of work foreseen by the framework¹ calls for UN support in guiding the necessary surge in fiscal and financial stimulus to make macroeconomic policies work for the most vulnerable and strengthening multilateral and regional responses.

Environmental sustainability and gender equality are crosscutting and underpin all areas of work.

Building upon the Strategy for Financing the 2030 Agenda, the Secretary-General, together with the Prime Ministers of Canada and Jamaica launched the Initiative on Financing for Development in the Era of COVID-19. The outcome was a comprehensive menu of options to improve international liquidity, reduce debt burdens, tackle illicit financial flows, mobilize international finance and recover better for sustainability. Under the subject of recovering better for sustainability, participants to the process, including the Government of Italy called for a green, resilient, and inclusive recovery from the pandemic.

The Secretary-General has underscored the importance of linking net zero goals and plans, and Nationally Determined Contributions, with a sustainable, low-carbon, climate-resilient COVID-19 recovery. This means both agendas should mutually reinforce each other.

With the financing gap growing ever larger, it is clear that public financing alone will not be sufficient to achieve the SDGs. That is why the UN has called for private sector financing to be an integral part of the solution. Through in several initiatives, convened by the Secretary-General, including the Global Compact, the Principles for Responsible Banking and the Global Investors for Sustainable Development (GISD)—an alliance of 30 business leaders, the UN is mobilizing resources for sustainable development.

¹ The five streams of work that constitute the package include: 1. ensuring that essential health services are still available and protecting health systems; 2. helping people cope with adversity, through social protection and basic services; 3. protecting jobs, supporting small and medium-sized enterprises, and informal sector workers through economic response and recovery programmes; 4. guiding the necessary surge in fiscal and financial stimulus to make macroeconomic policies work for the most vulnerable and strengthening multilateral and regional responses; and 5. promoting social cohesion and investing in community-led resilience and response systems.

The Executive-Office of the Secretary-General (EOSG) and relevant UN system agencies have set key priorities for scaling up climate finance that include a focus on strengthening the capacity of financial authorities and institutions to embed climate risk in their functions and policies. This includes financial regulators and central banks, but also work with financial actors such as commercial banks and insurance companies.

EOSG is also working with decision-makers to push for the highest levels of ambition among development finance institutions to increase the volumes of climate finance available for developing countries, re-think and strengthen the mobilization of private finance agenda to unlock the trillions held by institutional investors, and align their portfolios with the goals of the Paris Agreement.

New technologies, especially the rapid growth of digital finance, are creating a wealth of unprecedented opportunities, including by helping LDCs and conflict-affected countries benefit from the digital revolution to finance the SDGs. The Secretary-General has advocated for digital and sustainable infrastructure through the Task Force on Digital Financing of the SDGs and advocacy at the high-level through the Secretary-General and the Secretary-General's Special Advocate on financial inclusion, H.M. Queen Máxima.

The UN system can be effective in providing advice to Member States on finance-related issues. Many Member States already benefit from UN support in developing the financing aspects of plans to implement their NDCs and the INFFs for the broader 2030 Agenda. Furthermore, the UN supports a growing number of Member States in mobilising sustainable finance, from the development of roadmaps in evolving domestic financial sectors through to the design and deployment of specific financial sector processes and instruments, such as green bonds, and development funds and institutions.

There is an opportunity to scale-up public and private investment through the financial sector and governments by tackling the key barriers that prevent more public and especially private capital from being directed to sustainable or green assets (e.g. renewable energy/energy efficiency, sustainable agriculture/forestry, sustainable infrastructure, transport, etc). Various UN initiatives are active in this regard by helping on the inclusion of social and environmental criteria and dimensions to investments and financial markets.

The Secretary-General has accordingly highlighted the needs of LDCs and SIDS in his advocacy efforts to leave no one behind. LDCs and SIDS face significant challenges in attracting affordable, long-term finance for sustainable development, climate action and resilience, and many – even middle-income SIDS – are at high risk of debt distress. Together with the urgency of linking COVID-19 recovery efforts with the climate agenda and the commitments set in net zero plans and Nationally Determined Contributions, addressing issues of debt sustainability and liquidity constraints will also be critical to ensure public budgets in developing countries. These can support ambitious climate action in sectors such as energy, agriculture and forestry, including through the use of nature-based solutions.

Among other initiatives, the Secretary-General has actively supported the creation of an innovative debt-for-resilience swap between the World Bank and the Regional Economic Commission for Latin America and the Caribbean (ECLAC). As an outcome of the High-Level Events held during the initiative on Financing for

Development in the Era of COVID-19 and Beyond, the UN is also harnessing its advocacy role to push for greater support for vulnerable countries, including SIDS and LDCs, in different fora such as the G20 and COP26.

The UN is a credible and impartial interlocutor in the Sahel, where multiple crises and overlapping vulnerabilities made support to the sub-region a priority for the Secretary-General and where governments and national partners have called for a more robust UN role in addressing the multi-dimensional crises across the region.

The COVID-19 pandemic has exacerbated existing challenges, including endemic poverty, gender inequalities, food insecurity and lack of economic opportunity, already aggravated before COVID-19 by violent extremism, rapid climate change and environmental degradation.

To accelerate the UN System's development response across the Sahel and the implementation of the UNISS, actions have been taken for the creation of the Sahel Investment Support Facility to support the UN in strengthening multi-stakeholder efforts that bring together International Financial Institutions (IFIs), regional banks, national governments and civil society to generate resources for inclusive national development priorities and to help the UN develop "big-ticket corporate programmes" that bring together different stakeholders and unlock the region's potential, with focus on specific regional issues.

The COVID-19 pandemic has considerably increased the awareness of the public and governments of the exposure of our societies and economies to external shocks. In doing so it has only further raised the profile of climate change mitigation and adaption, and particularly the need to enhance climate resilience. The European Union and the United Kingdom had already committed to achieving the Paris Agreement target of net zero emissions by 2050; between September and November 2020, China, Japan, the Republic of Korea and the Administration of the United States President-Elect all committed to similar targets. Previously, several other countries, including many SIDS, also committed to achieving zero carbon before the middle of the century. Such commitments have created a massive demand for climate finance, further fueling the need to finance the implementation of NDCs both in developed and developing countries.

Food systems play a major role both in ensuring food security, as well as in climate change mitigation and adaptation. In addressing multiple SDGs, sustainable food systems is an important contributor to building resilience. Agricultural systems alone account for 11% of global greenhouse gas emissions – a proportion that has risen by 14% since 2000. Agriculture is also the driver of 70% of tropical deforestation which contributes a further 9% of greenhouse gas emissions. Scaling up climate-smart and zero-deforestation agriculture could therefore reduce up to a fifth of global emissions. Likewise, food systems are increasingly affected by floods, droughts and other climate-induced extreme weather patterns, exposing hundreds of millions to food insecurity and even acute hunger and famines. Implementing resilient agricultural systems enhances food security as well as public health, and underpin the security of billions of jobs around the world from seed to plate, from small-scale agriculture to the urban catering industry.

COVID-19, which threatens to push 265 million people to the brink of starvation, has placed an even greater spotlight on the need to ensure that food systems are healthy, sustainable, and equitable. In 2021, the Secretary-

General will convene a Food Systems Summit as part of the Decade of Action to achieve the SDGs by 2030, with a pre-Summit in Rome, Italy, which will bring together communities, countries, and issue-focused constituencies around the world to drive multi-stakeholder engagement and bring about tangible, positive changes to the world's food systems, which underpin each of the 17 SDGs.

Further developing support and scaling up finance to achieve the SDGs is a priority that requires the whole system and partners, to work in a more integrated fashion in offering a flexible, effective service on the ground. Building capabilities at the international, regional and country levels will be required, along with a suite of tools to support consistent, effective outcomes.

1.4 The Government of Italy, priorities and opportunities

The Republic of Italy is poised to play a key role in advancing the Financing for Development Agenda, as President of the G20 until November 2021, co-host of UNFCCC COP26, and host of the pre-Summit on Food Systems.

The Italian Ministry of Environment's emphasis on sustainable development strategies and promotion of the green economy and inclusive growth, for instance, anchor recovery to the pandemic in the SDGs and Paris Agreement. Italy's priorities for the upcoming G20 Presidency, include those of the FfD agenda: climate action and sustainable finance, creating sustainability-related disclosure frameworks, phasing out fossil fuels, implementing debt-for-climate swaps, using digital technologies, and targeting vulnerable groups to achieve the SDGs. . The partnership could also deepen collaboration regarding the Pre-Food Summit, which Italy will co-host in 2021, which has become increasingly urgent given the high and growing rates of hunger as a result of COVID-19.

Italy has been an active member in protecting nature and biodiversity. During the last High-Level Week of the UN General Assembly, H.E. Mr Giuseppe Conte, Prime Minister of Italy, endorsed the Leader's Pledge for Nature. During the Biodiversity Summit, Italy also made a strong statement in favour of protecting biodiversity and ecosystems and highlighted the linkages with other development challenges.

The country prioritises support to SIDS and LDCs. In the Sahel, Italy has made significant contributions to landscape restoration, including improving the resilience of food systems.

1.5 Opportunities for collaboration

The partnership foreseen under this collaboration provides an opportunity to enhance the synergy between the priorities of the Secretary-General and the Government of Italy, starting with the year in which Italy will assume the Presidency of the G20 and co-host the COP26 and the Food Systems Pre-Summit.

Against this background, five areas for collaboration have been identified:

- Scaling up climate finance
- Improving the access of countries to sustainable finance, especially in LDCs and SIDS

- Accelerating innovative and digital funding mechanisms for the SDGs
- Channeling private investment to the SDGs
- Supporting food systems transformation in support of the SDGs.

There is considerable potential for synergy resulting from the UN and Italy priorities and opportunities arising from the role that Italy has under the G20, COP 26 and Food Systems Pre-Summit and Summit and its support to the UN in advancing the above-mentioned priorities.

As the global economic and financial system likely experiences extraordinary structural changes as a result of COVID-19, the Secretary-General will continue to work with Member States and UN system principals to identify unique windows of opportunity for promoting accelerated gains in financing for the 2030 Agenda and the Paris Agreement, both within individual Member States and on issues requiring collective action.

The current situation demonstrates that broad and sweeping changes are needed to our global financial architecture, starting first and foremost by ensuring that finance can be channeled towards preventative projects to help vulnerable countries build back more inclusive, sustainable, and resilient.

Additionally, ongoing developments in the Sahel illustrate another type of pervasive financing challenge at the regional level. Success in the Sahel is in many ways a litmus test of the Secretary-General's reform agenda that takes early action to strengthen development investments in the nexus of peace and security, humanitarian and development assistance. New approaches to financing will also be needed, drawing on innovative instruments, and also new sources and forms of finance.

The collaboration foreseen in this proposal will provide a platform to support such efforts.

2. Programmatic Scope and Theory of Change

2.1 Outcomes of the Strategy for Financing the 2030 Agenda

The Secretary-General's Strategy for Financing the 2030 Agenda and this Fund are designed to accelerate the sustainable finance reform agenda globally and harness the power of the global financial system to support the realization of the 2030 Agenda and the Paris Agreement on Climate. While the COVID-19 pandemic threatens to set the world back decades in development efforts, it also represents a formidable window of opportunity to ensure that global financial system contributes to financing the SDGs and the Paris Agreement.

The scope of the collaboration has an aspirational target of 20 million USD over the course of the next three years. For the first year, 2021, it has been approved a disbursement of 4,7 millions Euro.. The projects falling under this collaboration will seek to have both global, regional, sub-regional and country impact. The logical framework below establishes goals, expected outcome and outputs of the cooperation and the milestones for achieving each output. The table below illustrates the indicative projects that will be developed over the course of the first year of collaboration, including their preliminary budgets. Each year the scope of collaboration and the aspirational target will be reviewed and approved by the Steering Committee. The annual workplans, including their budgets, will be approved by the Steering Committee, in line with the annual resources allocated by Italian Ministry for the Environment Land and Sea.

The main priority for 2021 will be Area 2, "improving the access of countries to sustainable and green finance, especially in LDCs and SIDS", but actions will be taken across all areas, noting their interlinked nature and proven synergies among them. A key area of focus will be the Sahel, where the work will be carried out in complementarity with the existing initiative of the Government of Italy "Creating land of opportunities: transforming livelihoods through landscape restoration in the Sahel".

The strategy provides a core framework with an underlying theory of change, but will evolve in its specifics over time in response to learning, opportunities and circumstances.

2.2 Results Framework:

Overall Goal: The UN System contributes to a green and inclusive recovery from the COVID-19 pandemic by harnessing the power of financial systems to support the SDG Decade of Action, access of developing countries to sustainable finance, Multilateral Environmental Agreements (including the Paris Agreement on Climate Change) and the UN Food Systems Summit.			
1. Fund Outcome	Indicators	Means of Verification	Indicative Budget per project for 2021 (net of Programme Support Cost and AA Fee)
The UN has the strategic capacity to carry out the objectives of the Secretary-General's financing strategy	<ul style="list-style-type: none"> Technical guidance, tools and best practices developed and provided to financial services and markets to improve the integration of environmental and social considerations in their business practices and the COVID19 recovery. UN system wide support on financing to Member States, both individually and regionally is enhanced. Major global finance and financial system development trends and initiatives related to the SDG Decade of Action, Multilateral Environmental Agreements, and Paris Agreement harnessed. 	<ul style="list-style-type: none"> UN Secretary-General's Strategy on Financing the 2030 Agenda UN's website, news releases, meeting reports Third party websites, news releases, publications and articles Articles in the press, academic journals 	<ul style="list-style-type: none"> EOSG/ Strategic Capacity to support the SG agenda on sustainable finance in the framework of the socioeconomic response to COVID19 (601,346 US\$)
Fund milestones¹ that show progress towards achieving the fund outcome			Expected Milestone
M1 Launch of UN Secretary-General's Strategy for Financing the 2030 Agenda (2018/21) report			December 2021
M2 Handover of dossier of lessons and tools to inform the G20 Process			October 2021
M3 UN Mobilization an alignment for on sustainable finance for CBD COP15, UNFCCC COP26 and UNDDC COP15			November 2021

2. Fund Outputs:	Indicators	Means of Verification	Indicative Budget per project for 2021
2.1) Scaling-up for climate finance	<ul style="list-style-type: none"> • Development of a strong political and operational narrative for Nature Based Solutions (NBS) • Construct an action agenda and growing a movement of support, especially Youth for NBS under UN-REDD • Public and private funding mobilized for forest conservation and restoration (REDD+) • Support to countries to achieve a gigaton in emission reductions from forest conservation and restoration (REDD+) • Actions in priority areas of the SG's Climate Strategy² 	<ul style="list-style-type: none"> • UN web sites • Third party websites, news releases, publications and articles • Articles in the press, academic journals 	<ul style="list-style-type: none"> • UNEP/ Nature-Based Solutions Movement (300,000 US\$) • EOSG/ Secretary-General's Climate Strategy (330,000 US\$)
Fund output Milestones:			Expected Milestone
M1: M1: Relevant global dialogues organized around COP 26 and pre-COP events on Youth and Africa			December 2021
M2 Report on assessment of best practices and existing NbS initiatives and policies, evidence and science based data on NBS multiple benefits			December 2021
2.2) Improving the access of countries to sustainable finance, especially in the LDCs and SIDS	<ul style="list-style-type: none"> • Innovative financing facilities for sustainable land-use with a focus on LDCs • Industry-wide guidelines for SDG investing in Africa produced • Immediate technical support and sustainable finance to Youth Business/enterprise under the Local2030 initiative • Investment Support Mechanism for the Sahel in place to develop and scale-up a pipeline of investments for the UN Support plan for the Sahel 	<ul style="list-style-type: none"> • UNEPFI's website and reports • UNCDF's website and reports • Taskforce on nature-related financial disclosure web site • Report of the UN Support for the Sahel 2018-2030 • Third party websites, news releases, 	<ul style="list-style-type: none"> • UNEP/ Building the capacity of financial institutions to set and deliver on ambitious targeted outcomes for mobilising private investment in the SDGs (400,000 US\$) • UNEP / Scaling up public/private finance for deforestation-free agricultural commodity production in Africa and other key developing countries (200,000 US\$)

² Areas of action could include working with Public Development Banks (national, regional, multilateral), Debt Issues, or Making all investments climate-resilient

	<ul style="list-style-type: none"> • Pipeline of investment projects in the six priority areas of the UN Support Plan for the Sahel (Inclusive growth; climate action; renewable energy; women and youth empowerment; Cross-border cooperation; and prevention and sustaining peace), targeting 10 countries namely Mauritania, Mali, Niger, Chad, Senegal, The Gambia, Guinea, Burkina Faso, Nigeria and Cameroon to scale up efforts to accelerate shared prosperity and lasting peace in the region. • Support on sustainable infrastructure as central theme for next year ECOSOC Presidency 	publications and articles	<ul style="list-style-type: none"> • EOSG/ Sahel Investment Support Mechanism (1,400,000 US\$) • UNEP / Forest Solutions – UNREDD (200,000 US\$) • EOSG/ ECOSOC dialogue on sustainable infrastructure (100,000 US\$)
Fund output Milestones:			Expected Milestone
M3: # of banks and insurers requesting participation in programme and receiving preliminary training.			Dec. 2021
M4: # of banks establishing impact assessment systems			Dec. 2022
M5: # of SDG aligned products / services established and associated financing mobilized			Dec. 2023
M6 Call for proposals for Youth Business/enterprise			February 2021
M7: Project selection for Youth Business/enterprise			July 2021
M8: Project implementation for Youth Business/enterprise starts			November 2021
M9 ECOSOC Dialogues on sustainable infrastructure			June 2021
M10 Sahel Investment Support Mechanism launched			March 2021
M11 Sahel Investment Support Mechanism investment pipeline ready			August 2021
M12 Sahel Investment Support Mechanism partnerships increased			December 2022
M13 Sahel Investment Support Mechanism resource increased			December 2023
M 14: Entities can provide concessional finance and ambitious commitments banks, investors and forest /agribusinesses that help scale up green finance to developing countries – presented at COP 26			November 2021
M15. Loan/investment products concluded by private sector partners that leads to sustainable forest/agricultural finance (nature / climate-positive) in LDCs and key developing countries			December 2022

M16: Technical analysis on agricultural fiscal reform that can re-direct and scale up public green finance in LDCs and key developing countries	December 2023
M17: Agreements signed between countries and private sector companies for early investments in Jurisdictional REDD+	October 2021
M18: Confirm public and private sector pledges to finance a gigaton in investments in REDD+ by 2025 (pledges confirmed at COP26)	November 2021
M19: Agreements signed between countries and private sector companies for investments in Jurisdictional REDD+	December 2022
M20: Agreements for 300 million tCO2e in high-quality emission reductions achieved	December 2023

2.3) Accelerating innovative and digital funding mechanisms for the SDGs	<ul style="list-style-type: none"> Existence of a productized citizen-centric green digital financing solution to leverage private savings Existence of a policy and regulatory roadmap for enabling citizens to use their savings for financing local green and sustainable infrastructure Number of countries that have implemented or piloted the citizen-centric digital financing solution to mobilize financing for green/sustainable investments Number of technical dialogues convened to advance discussions on best practices and promote the citizen-centric digital financing solution. Industry reports identifying and quantifying main risks and dependencies on nature across key industries value chains Country reviews with in-depth policy, regulatory and institutional analysis with a view to establish enabling environment and incentives/disincentives to increase uptake of the nature related financial disclosure framework 	<ul style="list-style-type: none"> UNDP website and press-release Publication of the productized citizen-centric green digital financing solution Publication of the policy and regulatory roadmap to enable the solution Pilot concept report(s) and finale pilot report(s) 	<ul style="list-style-type: none"> UNDP/ Citizen Digital Financial Solutions (400,000 US\$) UNDP/ Taskforce for Nature Related Financial Disclosures (600,000 US\$)
	Fund output Milestones:		
	Expected Milestone		
	M21 Launch of the Taskforce on nature-related financial disclosure	March 2021	
	M22 Launch of the Framework for Taskforce for Nature Related Financial Disclosures	December 2021	
	M23 Preliminary draft programme design for launching pilot projects based on a set of technical studies	August 2021	
	M24 Consolidated best practices report and creation of a dialogue platform	October 2021	

M25 Final product capturing the lessons learned from the pilots, regulatory developments and results, delivered in a format tailored for government use.	July 2023
M26 Discussion on innovative ways to take the initiative to scale through, for example, BigFinTechs, have been advanced and a roadmap for global implementation has been developed	October 2023

2.4) Channeling private investment to the SDGs	<ul style="list-style-type: none"> Countries (included LDCs and SIDS) supported in identifying suitable Project Development Funds (PDFs)/Project Preparation Facilities (PPFs) that will support the development of investment-ready projects that contribute to the achievement of the SDGs The development and launch of the Global SDG Impact Investment Platform, which would include SDG Impact Standards and its digital use 10 more investor maps and its streamlined/cleaned results, other relevant standards, frameworks, and guidelines as well as case studies and other relevant knowledge products. 	<ul style="list-style-type: none"> UN Secretary-General's Strategy on Financing the 2030 Agenda UN's website on GISD and UNDESA reports UN Investor maps website Third party websites, news releases, publications and articles 	<ul style="list-style-type: none"> UNDP/ Global SDG Impact Investment Platform (400,000 US\$) UNDESA/ Supporting the preparation of bankable projects for investments by GISD Alliance members (100,000 US\$)
Fund output Milestones:			Expected Milestone
M27 Identify PDF or PPF in a pilot country in cooperation with partners (World Bank, IFC, UN country teams) and consultation with GISD Members			February 2021, May 2022, May 2023
M28 Event of preparation of investment-ready projects and coordination with potential investors			April 2022, December 2023
M29 Formal launch of the Global SDG Impact investment Platform			May 2021
M30 Launch of SDG Impact country maps			December 2021

2.5) Supporting food systems transformation in support of the SDGs.	<ul style="list-style-type: none"> • Development of a modelling and policy instrument to countries and other stakeholders make decisions within their food systems. • Food Systems Summit Dialogues in UN Member States • Work with key thematic events and issue-specific constituencies during the preparatory process of the Food Summit (e.g. the UNFCCC and UNCBD) to leverage their discussions to advance shared objectives 	<ul style="list-style-type: none"> • UN's website on the Food Systems Summit • Third party websites, news releases, publications and articles 	<ul style="list-style-type: none"> • EOSG/ 2021 Food Systems Summit (100,000)
Fund output Milestones:			Expected Milestone
M31 Food Systems Summit Dialogues			April 2021
M32 Food System Summit pls add pre summit dates!			September 2021

3. Sustainability

To ensure the sustainability of results, continued efforts to strengthen in-house capacity across the UN system will be undertaken. The Joint Programme will a.) promote cross-fertilization among the implementing AFP and entities and the wider UN System on the topic of Development Finance for an inclusive and sustainable recovery. It will also b.) prioritise innovation and data and digital literacy in its working methods. Terms of Reference will be developed following guidelines of the Secretary-General's Data Strategy with a view of attracting such skills into the UN.

4. Project Management and coordination arrangements

The key guiding force behind this collaboration will be the Secretary-General through the Deputy Secretary-General.

EOSG as the Convening Entity will be responsible for coordinating programmatic aspects, and the Administrative Agent (UNDP's Multi-Partner Trust Fund Office) will be responsible for financial management, with each participating UN organization having programmatic and financial responsibility for the funds entrusted to it.

4.1 Operational management arrangements: The Operational Steering Committee and Steering Committee

The governance of the Joint Programme consists of an Joint Steering Committee and an Operational Steering Committee.

Operational Steering Committee (OSC):

The Operational Steering Committee ensures effective management and coordination of all operational and technical elements of the Initiative. The Operational Steering Committee is made up of representatives of the Participating UN Organisations (UNEP; UNDP; UNDESA, EOSG and any other UN entity that will be invited to sign the MOU) and is chaired by the Executive Office of the Secretary-General (Deputy Secretary-General or her designate). For the UN organisations represented in the Steering Committee, these Representative will ideally be the same as the UN entities' representatives on it. The MPTF Office will be an ex-officio member of the Operational Steering Committee.

Roles and responsibilities of the Operational Steering Committee:

- Oversee Fund implementation, review the Fund's overall performance and approve any revision of the Fund portfolio as required.
- Review the Fund's policies and rules of procedure that complement the Terms of Reference.
- Review and agree upon fund allocations against programme documents proposed by Participating UN Organisations;

- Review and agree upon the Fund's direct costs budgets, specifically those related to the Secretariat, evaluations and audits;
- Request Administrative Agent to transfer funds to the Participating UN Organisations;
- Review the risk monitoring matrix regularly;
- Review the annual and final consolidated narrative and financial reports submitted by the Secretariat;
- Commission through the Secretariat an evaluation/lessons learned exercise and ensure lessons learned feed into the relevant wider policy discussions
- Recommend revision of the ToR and refer to the Governing Body for any potential Fund extension.

The Operational Steering Committee would meet at least twice a year to coincide with the meetings of the Steering Committee, and more frequently when required. It would be considered to have a quorum when at least two thirds of its members are present and will take decisions by consensus.

Steering Committee (SC):

The Steering Committee (SC) is the Joint Programme oversight and advisory authority, representing the highest body for strategic guidance, fiduciary and management oversight/coordination. It facilitates collaboration between participating UN organizations, donor community and the for the implementation of the Joint Programme. The SC reviews and approves the Joint Programme Document and annual work plans, in line with the annual availability of resources allocated by IMELS. It provides strategic direction and oversight, advises on allocation criteria for resources, reviews implementation progress and addresses problems. The SC also receives progress reports, approves budget revisions/reallocations, notes evaluation and audit reports (published in accordance with each participating organization disclosure policy), and initiates investigations if needed.

Its roles and responsibilities are the following:

- Set the Fund's strategic direction;
- Review on an yearly basis the scope of the collaboration and the aspirational target.
- Provide strategic guidance to the Operational Steering Committee for the identification and ranking of funding priorities;
- Provide a partnership platform for political dialogue, coordination, communication and advocacy among the stakeholders;
- Maintain close collaboration with other stakeholders to ensure flexible adaptation of the Fund activities as well as to request changes in priorities and strategies;
 - Review the Fund's status, review the overall progress against expected results and discuss course corrections and future activities when relevant;
 - Review the financial status/needs of the Fund;
 - Review consolidated Annual and Final Report prepared by the Secretariat;
 - Review the Fund's evaluation; and
 - Review requests for the extensions of the operational duration of the Fund.

The PSC meets at least semi-annually. The PSC will include senior Manager of EOSG and a senior representative from the Donour, acting as co-Chairs of the Committee and senior representatives from UNDP, UNDESA and UNEP.

4.2 Core Team and Secretariat

The Core Team, based in the Executive Office of the Secretary-General, will provide the technical and management support necessary to ensure the programmatic coordination and monitoring of the Fund's Interventions. The Core team will be responsible to undertake the implementation of the Fund's work plan. It will tentatively consist of a core team of a Senior Finance Advisor, a Policy/Programme Officer (P4), and one Fund Administrative Officer. Overarching guidance will be provided by the Deputy Director, Sustainable Development Unit, EOSG.

The Core Team would also contribute to the delivery of a wider portfolio of arising pieces of finance-related work involving the Secretary-General that cannot be specified in advance. As circumstances arise, the team would need to support the Secretary-General's leadership in responding to specific financing needs.

The roles and responsibilities linked to the Secretariat function of the Fund will be undertaken by the Core Team. The Secretariat's responsibilities are:

- i. Provide logistical and operational support to the Governing Body and Operational Steering Committee;
 - ii. Consolidate annual and final narrative reports provided by the Participating UN Organisations and share with the Governing Body and Operational Steering Committee for review as well as with Administrative Agent for preparation of consolidated narrative and financial reports;
 - iii. Advise the Operational Steering Committee on strategic priorities, programmatic and financial allocations (based on the inputs of inter-agency working groups and the Administrative Agent, if applicable)
 - iv. Ensure the monitoring of the operational risks and Fund performance;
 - v. Facilitate collaboration and communication between Participating UN Organizations to ensure programmes are implemented effectively.
 - vi. Liaise with the Administrative Agent on fund administration issues, including issues related to project/ fund extensions and project/fund closure.
-

5. Fund management and coordination arrangements

5.1 Administrative Agent

The Administrative Agent function will be carried out by the Multi Partner Trust Fund Office. As per UNDG "Protocol on the Administrative Agent for Multi-Donor Trust Funds and Joint Programmes, and One UN Funds", the Administrative Agent will be entitled to allocate an administrative fee of one

percent (1%) of the amount contributed by each donor, to meet the costs of performing the Administrative Agent's standard functions as described in the MOU.

The standard functions include:

- Fund design: Support for developing the Fund concept note and the TOR. This includes notably support for the design of the fund architecture (i.e. governance arrangements), the preparation of the legal instruments based on standard legal agreements, and the development of a logical framework based on the theory of change.
- Fund administration: The Administrative Agent will conclude a Memorandum of Understanding (MOU) with the Participating UN Organisations and Standard Administrative Arrangements (SAAs) with the Donor partners. Receipt, administration, and disbursement of funds to the participating organizations according to the instructions of the Operational Steering Committee, financial reporting and consolidation. The Administrative Agent will disburse funds to the Secretariat for direct costs based on the decision of the Operational Steering Committee. On an annual basis, the Administrative Agent will notify the Operational Steering Committee of the amounts used for such purposes.

5.2 Participating UN Organizations (PUNOs)

The work plan will be implemented under the UN Executive Office of the Secretary-General (EOSG), and primarily operated through the United Nations Development Programme (UNDP) and United Nations Environment Programme (UNEP) and UNDESA. Other Participating UN Organisations may be invited to join the Fund at a later stage.

As per the undg MOU for MPTFs, each Participating UN Organisation will assume full programmatic and financial accountability for the funds disbursed to it by the Administrative Agent. Each Participating UN Organisation will establish a separate ledger account under its financial regulations and rules for the receipt and administration of the funds disbursed to it by the Administrative Agent. This separate ledger account will be administered by each Participating UN Organisation in accordance with its own regulations, rules, directives and procedures.

Each Participating UN Organisation will carry out its activities contemplated in an approved proposal in accordance with the regulations, rules, directives and procedures applicable to it, using its standard implementation modalities. Each Participating UN Organization will establish appropriate programmatic safeguard measures in the design and implementation of its Fund activities, thereby promoting the shared values, norms and standards of the United Nations system.

2.3 Implementing Entities and Partnerships

The involvement of many parts of the UN Development System and of key institutional partners will be critical in providing the capacity to mobilize the financial resources necessary to get the world back on track to achieving the 2030 Agenda and the Paris Agreement.

The convening power of the United Nations and the expertise offered by many entities of the UN Development System are two key comparative advantages of the Organization in delivering the goal and outcome of this cooperation.

The menu of options generated through the Initiative on Financing for Development in the Era of COVID-19 and Beyond has been organized into six clusters. Leadership by a UN entity has been envisaged to facilitate continued technical and policy advisory support in the consideration of the options at global, regional and country level, as follows:

- (i) Sustainability and climate action, led by UNDP;
- (ii) Socio-economic response: social protection, gender, youth, health, education and human rights, led by ILO;
- (iii) Finance and technology, led by UNCTAD;
- (iv) Liquidity and debt vulnerability, led by DESA;
- (v) Illicit financial flows, led by the Regional Economic Commissions; and
- (vi) Addressing special country needs, led by DESA.

These entities, which are also members of the UN Sustainable Development Group (UNSDG) Task Team on SDG Financing, will be invited to collaborate with the project in an open and collaborative way, continuing the spirit of the discussion groups, drawing on the knowledge and expertise of other UN entities that conduct work relevant to the cluster.

The value of building up a network of specialists from across the UN system cannot be underestimated. The recently established UN Economists Network will be tapped as needed.

DESA, UNDP, UNEP, UNCCD and UNCDF have contributed proposals for the first year and will participate actively in the implementation. Other Agencies, Funds and Programmes will also be collaborating closely in the activities, such as the UN Global Compact and FAO.

UNEP, as one of the three contributing UN entities to the UN-REDD Programme, has extensive experience and expertise in achieving the outputs related to climate finance, in particular on nature-based solutions, supporting countries implement NDCs, REDD+ and landscape restoration, including in the Sahel.

UNDP, together with the Global Compact and private sector partners, has the capacity to develop the Global SDG Impact Investment Platform, drawing from its network of UNDP Countries Offices which can connect directly to investors at national level. It will also provide support to the Taskforce on nature-related financial disclosure (TNFD) which aims to help private investors provide nature-related risk financial disclosure. UNDP through its Country Offices can also collaborate with UNCDF and RCOs in identifying and supporting bankable projects for the International Municipal Investment Fund (IMIF). In collaboration with UN Country Teams and the World Bank, UNDP will support the preparation of bankable projects for investments by GISD Alliance Members through the establishment of project development funds or project preparation facilities.

The Climate Action Team in EOSG will connect all activities to the wider strategy of the Secretary-General on Climate change and the milestones going forward.

EOSG will provide the convening power and the expertise to build a pipeline of investments in the six priority areas of the UN Support Plan for the Sahel (Inclusive growth; climate action; renewable energy; women and youth empowerment; Cross-border cooperation; and prevention and sustaining peace). EOSG will also coordinate the organization of the 2021 Food Systems Summit, with the Special Envoy of the Secretary-General for the Food Systems Summit at its helm. DESA will support the coordination of the Food Systems Summit Dialogues & Global Engagement programme in preparation of the Summit and follow-up activities after the Summit.

6. Legal context

This Joint initiative is co-hosted by EOSG, UNEP, UNDESA and UNDP and administered by MPTFO.

The implementing partners agree to undertake all reasonable efforts to ensure that none of the funds received pursuant to this Joint Initiative are used to provide to individuals or entities associated with terrorism and that the recipients of any amounts provided by Participants UN organisations do not appear on the list maintained by the Security Council Committee pursuant to resolution 1267 (1999). The list can be accessed via https://www.un.org/sc/suborg/en/sanctions/1267/aq_sanctions_list. This provision must be included in all sub-contracts or sub-agreements entered into under this document.

7. Monitoring, Evaluation and reporting

This Fund will be monitored, evaluated and reported on in line with the standard provisions in the MOU and SAA.

7.1 Monitoring and evaluation

The Operational Steering Committee will monitor the Fund's implementation and performance, based on the inputs prepared by the Secretariat. The Governing Body will review the Fund's status and the overall progress against expected results on at least a six-monthly basis.

7.2 Reporting

Each Participating UN Organization will provide the Administrative Agent with narrative and financial reports prepared in accordance with the reporting procedures and timelines applicable to the Participating UN Organization as set forth in the MOU. The Participating UN Organizations will endeavour to harmonize their reporting formats to the extent possible.

The Administrative Agent will ensure the preparation of consolidated narrative progress and financial reports, in accordance with the reporting provisions and timelines as set forth in the MOU, and will

provide these consolidated reports to each Donor that has contributed to the Fund, as well as the Governing Body and Operational Steering Committee, in accordance with the timetable established in the Administrative Arrangement.

The annual and final report will be results-oriented and evidence based. Annual and final narrative reports will compare actual results with expected results at the output and outcome level, and explain the reasons for over or underachievement. The final narrative report will also contain an analysis of how the outputs and outcomes have contributed to the overall impact of the Fund. The financial reports will provide information on the use of financial resources against the outputs and outcomes in the agreed results framework.

The Administrative Agent will also provide the Donors, Governing Body, Operational Steering Committee and Participating UN Organizations with the following reports on its activities as Administrative Agent:

- a) Certified annual financial statement to be provided no later than five months (31 May) after the end of the calendar year; and
- b) Certified final financial statement to be provided no later than five months (31 May) after the end of the calendar year in which the financial closing of the Fund occurs.

Consolidated reports and related documents will be posted on the websites of the UN MPTF Office at mptf.undp.org.

8. Audit

The Fund will be audited in line with the audit provisions in the MOU and SAA, as well as 2014 Framework for Joint Internal Audit of UN Joint Activities. The Administrative Agent and Participating UN Organisations will be audited according to their own rules and financial regulations and in line with this framework for joint audit.

9. Public Disclosure

The Secretariat and the Administrative Agent will ensure that the Fund's operations are disseminated to the appropriate stakeholders, including Operational Steering Committee decisions, project submissions and any other documents on work planning, fundraising or results assessment.

All stakeholders should take appropriate measures to promote the Fund. Information shared with the press regarding fund beneficiaries, official notices, reports and publications shall acknowledge the Fund role. More specifically, the Administrative Agent shall ensure that the role of the Donors, contributors and relevant stakeholders is fully acknowledged in all external communications related to the Fund.

10. Expiration of the TF

The Fund has an Operational End date of 31 December 2023.

It is foreseen that all Participating UN Organisations will financially close their projects funded out of this Fund by latest 30 June 2024, and refund any outstanding balance to the Administrative Agent by that date.

Any balance remaining in the Fund Account upon completion of the Fund will be used for a purpose mutually agreed upon or returned to the Donor(s) in proportion to their contribution to the Fund as decided upon by the Donor(s) and the Operational Steering Committee.

The Memorandum of Understanding will expire upon the delivery to the donor(s) of the certified final financial statement pursuant to Section IV, paragraph 5(b) of the MOU. It is foreseen that these final certified final financial statements will be delivered to the donors by latest 31 May2025.

11. Budget

Area	Project	Implementor	2021	2022 (estimated)	2023 (estimated)	Total Direct costs
0	Strategic Capacity to support the SG agenda on sustainable finance in the framework of the socioeconomic response to COVID19	EOSG	\$ 601,346	\$ 572,940	\$ 572,464	\$ 1,746,750
1	Secretary-General's Climate Strategy: Public Development Banks (national, regional, multilateral), Debt Issues, or Making all investments climate-resilient	EOSG	\$ 330,000	\$ 330,000	\$ 330,000	\$ 990,000
1	Nature-Based Solutions Movement	UNEP	\$ 300,000	\$ 100,000	\$ -	\$ 400,000
2	Building the capacity of financial institutions to set and deliver on ambitious targeted outcomes for mobilising private investment in the SDGs	UNEP	\$ 400,000	\$ 650,000	\$ 650,000	\$ 1,700,000
2	Forest Solutions	UNEP	\$ 200,000	\$ 800,000	\$ 400,000	\$ 1,400,000
2	Sahel Investment Support Mechanism	EOSG	\$ 1,400,000	\$ 1,100,000	\$ 1,000,000	\$ 3,500,000
2	Scaling up public/private finance for deforestation-free agricultural commodity production	UNEP	\$ 200,000	\$ 600,000	\$ 600,000	\$ 1,400,000
2	Youth Business/enterprise	EOSG	\$ -	\$ 500,000	\$ 500,000	\$ 1,000,000
2	ECOSOC dialogue on sustainable infrastructure	EOSG	\$ 100,000	\$ -	\$ -	\$ 100,000
3	Citizen Digital Financial Solutions	UNDP	\$ 400,000	\$ 550,000	\$ 550,000	\$ 1,500,000
3	Taskforce for Nature Related Financial Disclosures	UNDP	\$ 600,000	\$ 825,000	\$ 825,000	\$ 2,250,000
4	Supporting the preparation of bankable projects for investments by GISD Alliance members	UNDESA	\$ 100,000	\$ 200,000	\$ 200,000	\$ 500,000
4	Global SDG Impact Investment Platform	UNDP	\$ 400,000	\$ 383,000	\$ 383,000	\$ 1,166,000
5	Supporting food systems transformation in support of the SDGs	EOSG	\$ 100,000	\$ 300,000	\$ 300,000	\$ 700,000
	Total Direct costs (US\$):		\$ 5,131,346	\$ 6,910,940	\$ 6,310,464	\$ 18,352,750
	PSC (7%)		\$ 359,194	\$ 483,766	\$ 441,732	\$ 1,284,693
	Programme budget		\$ 5,490,540	\$ 7,394,706	\$ 6,752,196	\$ 19,637,442
	AA fee (1%)		\$ 55,460	\$ 74,694	\$ 68,204	\$ 198,358
	Grand TOTAL		\$ 5,546,000	\$ 7,469,400	\$ 6,820,400	\$ 19,835,800
	Total 1 Euro=1.18 US\$:		€ 4,700,000	€ 6,330,000	€ 5,780,000	€ 16,810,000

Note to the budget: Allocations for Year 2 (2022) and Year 3 (2023) will be determined on an annual basis. The figures included in the budget are indicative and subject to modification.

Annex I. Activities

The initial implementation period of the strategic framework to late-2023 will be punctuated by a series of activities as summarised below. The proposed schedule takes account of: (a) the urgency of the financing agenda, (b) the pace at which substantive work can be developed, and (d) the key political milestones along the way where reporting on progress would be essential.

Area 1. Scaling up climate finance

- Actions in priority areas of the SG's Climate Strategy, which could include working with Public Development Banks (national, regional, multilateral), Debt Issues, or Making all investments climate-resilient
- Development of a strong political and operational narrative for Nature Based Solutions (NBS) and Construct an action agenda and growing a movement of support, especially Youth for NBS under UN-REDD
- Activities in support to mobilise funding for forest conservation and restoration (REDD+) and achieve the mobilization targets under the Gigaton initiative

Area 2. Improving the access of countries to sustainable finance, especially in LDCs and SIDS

- Scaling up public and private climate finance to transition towards sustainable food systems that tackle the nature & climate crisis. This will include setting up financing facilities that speed up transformation to climate- and nature-positive agricultural commodity production & land restoration for sustainable food systems
- Building the capacity of financial institutions to set and deliver on ambitious impact targets for mobilizing private investment to the SDGs, including working with banks to set and publish SDG impact-focused targets
- Improve access to climate finance and the quantity and quality of development finance through support to ECOSOC on sustainable infrastructure, mapping of pipeline and financial obstacles to sustainable infrastructure investments, engaging with the private sector and preparing a brief on building back better
- Develop a pipeline of bankable projects with the Local2030 Finance Working Group that engages Resident Coordinators and UN Country Teams to provide support to and sustainable finance to Youth Business/enterprise under the Local2030 initiative
- Establish a consortium of specialist consultants to build a pipeline of investments in line with the UN Support Plan for the Sahel in six priority areas: inclusive growth; climate action; renewable energy; women and youth empowerment; Cross-border cooperation; and prevention and sustaining peace.

Area 3. Accelerating innovative and digital funding mechanisms for the SDGs

- Develop a scalable concept, which involves (i) a series of studies which will identify policy constraints and barriers to overcome, (ii) supporting implementation and (iii) exploring the potential role of BigFinTech platforms in accelerating scalability, and pilot it in up to two markets.

- Encourage and facilitate technical and expert dialogues on best practice approaches for the use of citizen savings for green financing.
- Finalize a productized solution & promote its global implementation.

Area 4. Channeling private investment to the SDGs

To facilitate the preparation of bankable and investment-ready projects in developing countries for investments by the GISD Alliance members, DESA in collaboration with UNDP will conduct the following activities:

- Organization of country-level workshops and support preparation of bankable projects. The objective of the workshops will be to identify viable opportunities in developing countries, particularly LDCs and SIDS, to support the development of an investment-ready project pipeline. Based on the outcome of the country-level workshops, targeted financial and technical support will then be provided to selected mechanisms for the preparation of specific bankable projects.
- Support to a PDF: Many governments have set up PDFs to provide dedicated financing and/or capacity-building support to government contracting authorities at the national or subnational level. Some PDF have a thematic or sectoral focus (for example climate change).
- Support to a PPF: PPFs are usually set up by multilateral development banks and provide technical and/or financial support to project owners/concessionaries. Such support may include preparing feasibility studies, financial, legal and technical advisory services, drafting of procurement documents, undertaking social and environmental impact studies, conducting stakeholder consultations, etc.
- Developing the Global SDG Impact Investment Platform to give the investment platform a proper visual identity, including building on insights from investors, UNDP Country Offices, and other users for them to direct capital towards SDG-enabling investment opportunities and business models

Area 5. Supporting food systems transformation in support of the SDGs

The Food Systems Summit scheduled for 2021 will require extensive engagement and dialogue as part of preparations, as well as follow-up on its results. The Food Systems Summit Dialogues & Global Engagement programme will consist in the following activities:

- Organizing up to three food systems dialogues in as many countries as possible
- Engaging with key UN entities and capitalizing on key events (e.g., UNBCD COP15, UNFCCC COP26)
- Building a “toolkit” that is publicly available to constituencies around the world
- Driving a broader and complementary consultation process to ensure it is inclusive and engages stakeholders throughout the process;
- Provide updates throughout the preparatory process to all constituencies and engage with them directly on feedback and questions;
- Synthesize and analyze the inputs and feedback received into summary documents with key ideas and priorities.

Annex 2. Indicative Budget by Area and Participating UN Organisation

(1 euro=1.18 USD)

Per Area:

	Year				
Area	2021	2022	2023	Total	
0	\$ 601,346	\$ 572,940	\$ 572,464	\$ 1,746,750	
1	\$ 630,000	\$ 430,000	\$ 330,000	\$ 1,390,000	
2	\$ 2,300,000	\$ 3,650,000	\$ 3,150,000	\$ 9,100,000	
3	\$ 1,000,000	\$ 1,375,000	\$ 1,375,000	\$ 3,750,000	
4	\$ 500,000	\$ 583,000	\$ 583,000	\$ 1,666,000	
5	\$ 100,000	\$ 300,000	\$ 300,000	\$ 700,000	
Total	\$ 5,131,346	\$ 6,910,940	\$ 6,310,464	\$ 18,352,750	
PSC	\$ 5,490,540	\$ 7,394,706	\$ 6,752,196	\$ 19,637,443	
AA Fee	\$ 55,460	\$ 74,694	\$ 68,204	\$ 198,358	
Grand Total (US\$)	\$ 5,546,000	\$ 7,469,400	\$ 6,820,400	\$ 19,835,800	
Grand Total €	€ 4,700,000	€ 6,330,000	€ 5,780,000	€ 16,810,000	

Per UN Organisation

	Year				
UN Agency	2021	2022	2023	Total	
EOSG	\$ 2,531,346	\$ 2,802,940	\$ 2,702,464	\$ 8,036,750	
UNDESA	\$ 100,000	\$ 200,000	\$ 200,000	\$ 500,000	
UNDP	\$ 1,400,000	\$ 1,758,000	\$ 1,758,000	\$ 4,916,000	
UNEP	\$ 1,100,000	\$ 2,150,000	\$ 1,650,000	\$ 4,900,000	
Total	\$ 5,131,346	\$ 6,910,940	\$ 6,310,464	\$ 18,352,750	
PSC	\$ 359,194	\$ 483,766	\$ 441,732	\$ 19,637,443	
AA Fee	\$ 55,460	\$ 74,694	\$ 68,204	\$ 198,358	
Grand Total (US\$)	\$ 5,546,000	\$ 7,469,400	\$ 6,820,400	\$ 19,835,801	
Grand Total €	€ 4,700,000	€ 6,330,000	€ 5,780,000	€ 16,810,000	

Annex 3. Budget Summary

TABLE A1: Cumulative Indicative Budget by UNDG Category (2021-2023)

<i>Category</i>	<i>Amount (US\$)</i>
1. Staff and other personnel	5,360,000
2. Supplies, commodities and materials	15,000
3. Equipment, vehicles and furniture (include depreciation)	200,000
4. Contractual services	9,624,204
5. Travel	220,000
6. Transfers and grants to counterparts	2,321,600
7. General operating and other direct costs	611,946
Sub total	18,352,750
8. Indirect costs (7%)	1,284,692
Total:	19,637,442

TABLE A2: Cumulative Indicative Budget by UNDG Category (2021)

<i>Category</i>	<i>Amount (US\$)</i>
1. Staff and other personnel	1,498,632
2. Supplies, commodities and materials	4,194

Category	Amount (US\$)
3. Equipment, vehicles and furniture (include depreciation)	55,919
4. Contractual services	2,690,884
5. Travel	61,511
6. Transfers and grants to counterparts	649,109
7. General operating and other direct costs	171,097
Sub total	5,131,346
8. Indirect costs (7%)	359,194
Total:	5,490,540

TABLE B: Detailed indication of Activities

Activity	Timing	Cost
Strategic Capacity to support the SG agenda on sustainable finance in the framework of the socioeconomic response to COVID19	2021-2023	\$1,869,022
Secretary-General's Climate Strategy: Public Development Banks (national, regional, multilateral), Debt Issues, or Making all investments climate-resilient	2021-2023	\$1,059,300
Nature-Based Solutions Movement	2021-2023	\$428,000

Building the capacity of financial institutions to set and deliver on ambitious targeted outcomes for mobilising private investment in the SDGs	2021-2023	\$1,819,000
Forest Solutions	2021-2023	\$1,498,000
Sahel Investment Support Mechanism	2021-2023	\$3,745,000
Scaling up public/private finance for deforestation-free agricultural commodity production	2021-2023	\$1,498,000
Youth Business/enterprise	2022-2023	\$1,070,000
ECOSOC dialogue on sustainable infrastructure	2021-2023	\$107,000
Citizen Digital Financial Solutions	2021-2023	\$1,605,000
Taskforce for Nature Related Financial Disclosures	2021-2023	\$2,407,500
Supporting the preparation of bankable projects for investments by GISD Alliance members	2021-2023	\$535,000
Global SDG Impact Investment Platform	2021-2023	\$1,247,620
Supporting food systems transformation in support of the SDGs	2021-2023	\$749,000

Annex 4. Acronyms and definitions

AAAA	Addis Ababa Action Agenda
DSG	Deputy Secretary-General
ECOSOC	Economic and Social Council
EOSG	Executive Office of the Secretary-General
FFD	Financing for Development
G7	The Group of Seven
G20	The Group of Twenty
HLPF	High-Level Political Forum
IMF	International Monetary Fund

INFF	Integrated National Financing Frameworks
NDC	Nationally Determined Contributions
LDC	Least Developed Countries
MPTF	Multi-Partner Trust Fund
ODA	Official development assistance
SDG	Sustainable Development Goals
SIDS	Small Island Developing States
SG	Secretary-General
UNCTAD	United Nations Conference on Trade and Development
UNCDF	United Nations Capital Development Fund
UNDESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNCCD	United Nations Convention to Combat Desertification
UNFCCC COP	United Nations Framework Convention on Climate Change Conference of the Parties
WBG	World Bank Group