

Towards an integrated national financing framework (INFF)

13th Tranche of the United Nations Development Account

UN Department of Economic and Social Affairs (UNDESA)
United Nations Economic Commission for Africa (UNECA)
United Nations Conference on Trade and Development (UNCTAD)

Ms. Bineswaree (Aruna) Bolaky
Economic Affairs officer
(UNECA Subregional Office for Southern Africa)

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Addis Ababa Action Agenda:

Eight years after the adoption of the 2030 Agenda for Sustainable Development (in 2015) and the Addis Ababa Action Agenda (AAAA), which was adopted at the Third International Conference on Financing for Sustainable Development in Addis Ababa in July 2015, mobilization of sufficient finance remains a critical challenge in most developing countries.

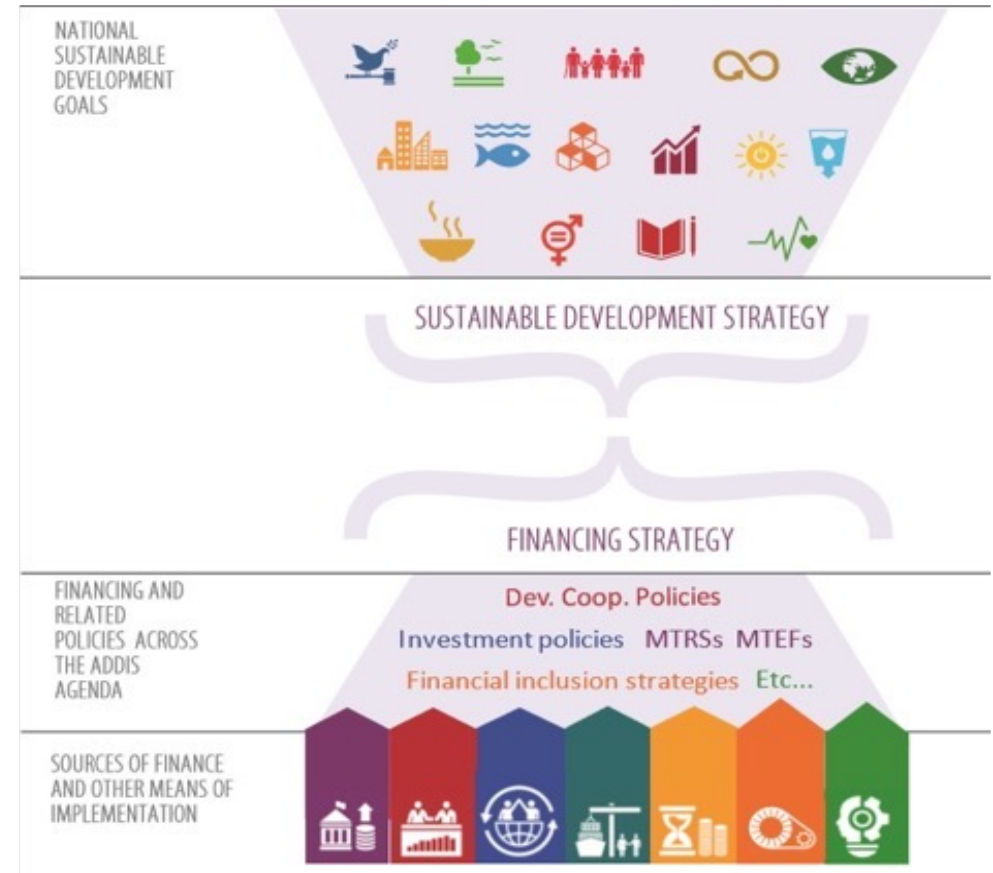
Para 9 of AAAA:

“Cohesive nationally owned sustainable development strategies, supported by integrated national financing frameworks, will be at the heart of our efforts. We reiterate that each country has primary responsibility for its own economic and social development and that the role of national policies and development strategies cannot be overemphasized. We will respect each country’s policy space and leadership to implement policies for poverty eradication and sustainable development, while remaining consistent with relevant international rules and commitments. At the same time, national development efforts need to be supported by an enabling international economic environment, including coherent and mutually supporting world trade, monetary and financial systems and strengthened and enhanced global economic governance”

Country ownership, Policy Space, Domestic Resource Mobilization

Integrated National Financing Frameworks (INFFs): An Overview

- ❖ Integrated national financing frameworks (INFFs) ----- a planning and delivery framework to help countries finance sustainable development and the SDGs,
- ❖ INFFs are a tool for governments to (i) align financing policies with national sustainable development priorities, and (ii) strengthen the links between planning processes (such as National Sustainable Development Strategies or national development plans) and financing policies.
- ❖ INFFs are country-owned and provide a framework for unlocking financing at the national level.
- ❖ INFFs help governments organize SDG financing.
- ❖ COVID-19 has exacerbated challenges associated with SDG financing.



INFF Global Guidance



- ✓ **Inception phase:** guidance published in January 2020
- ✓ **Assessments and diagnostics:** guidance published in December 2020
- ✓ **Financing strategy:** guidance published in April 2021
- ✓ **Monitoring and review:** guidance to be published shortly
- ✓ **Governance and coordination:** guidance published in April 2021

<https://inff.org/>



Governance & Coordination

Governance and coordination mechanisms guide the process of developing and strengthening an INFF and engage all stakeholders in a consultative process.



Monitoring & Review

By monitoring the delivery and use of financial and other resources, governments can track progress and draw lessons for policy design and implementation.



Inception phase

The inception phase focuses on how to start the integrated national financing framework (INFF) process and who should be involved.



Assessment & Diagnostics

Assessments and diagnostics provide a complete picture of financing needs, available financing sources and the challenges and risks countries face when financing their sustainable development.



Financing Strategy

Financing strategies set out a set of sequenced actions to finance national development strategies and goals, and mobilise and align financing with national priorities.

DA Project – Basic Information

Project Code and Title:	2124A Towards integrated national financing framework
Start date:	<i>March 2021</i>
End date:	<i>Latest by June 2024</i>
Budget:	<i>\$ 2,321,000 as per the budget fascicle (for Zambia: US\$140,000 + Regional activities Africa: US\$75,000)</i>
Target countries:	<i>10 countries: Belarus, Burkina Faso, Colombia, Costa Rica, Egypt, Indonesia, Jordan, Kyrgyzstan, Pakistan, Zambia</i>
Executing Entity/Entities:	<i>DESA, UNCTAD, ECLAC, ECE, ECA, ESCWA, ESCAP</i>
Co-operating Entities (UN System):	UN Resident Coordinator System and UNDP

DA Project – Basic Information

Objectives/Outcomes:

- **Help countries develop and implement INFFs to strengthen financing of the SDGs and mitigate the impact of COVID-19; and**
- **Increase knowledge exchange and peer learning among target countries and strengthen coordination amongst UN partners on financing issues.**

Outcome 1

- Develop guidance material, based on global guidance by the IATF (including baseline assessment status of INFF in target countries)
- Training workshops to introduce INFF methodology in target countries (when needed)
- Technical assistance to support implementation of INFF in target countries

Outcome 2

- Regional workshops on experiences implementing INFFs
- Follow up technical assistance based on lessons learned and experiences shared at regional level
- Global workshop
- Final Compendium of experiences on INFF design and implementation building on lessons learned at all levels





ECA – Mandate and comparative strengths

The comparative advantage of ECA lies in its substantive and technical expertise on African development issues and in particular, issues related to:

- macroeconomic policy and economic governance including domestic resource mobilization;
- financing for development and implementation of SDGs and its monitoring processes such as supporting member states in their voluntary national reviews for SDGs;
- innovative finance and public-private partnerships;
- building statistical capacities in monitoring SDGs



ECA/UNCTAD/DESA – Planned outcomes/activities

4 main areas

- a) measuring and combatting illicit financial flows
- b) designing innovative sources of finance
- c) mobilizing private capital and public-private partnerships for achieving the SDGs and
- d) strengthening SDG-based reporting tools.

ECA/UNCTAD/DESA- Planned outcomes/activities

- **Outcome 1: Government of Zambia implements systems and frameworks for SDG Financing.**
 - **Expected results: Domestic resource mobilization is strengthened in Zambia**
 - Activity 1 : 4-day Capacity building workshop on enhancing domestic resource mobilization in Zambia in a post-Covid context, organized by ECA in collaboration with UNCTAD (Division for Africa, LDCs and Special Programmes) (UNECA & UNCTAD).
 - Activity 2: A policy manual on “Enhanced domestic resource mobilization in Zambia post-Covid” is prepared and disseminated to stakeholders (video/dissemination workshop) (UNECA).
- **Outcome 2: Private - domestic and international - resources are mobilized to respond to the National Development Plan and SDGs.**
 - **Expected results: Innovative financing mechanisms are developed and strengthened in Zambia.**
 - Activity 3: A Handbook on innovative finance for promoting inclusive industrialization and private sector development in Zambia is produced and disseminated (UNECA).
 - Activity 4: A country/diagnostic assessment on the role of public private partnerships on financing SDGs in Zambia is produced with policy recommendations on innovative finance (covering multiple sectors including transport) (UNECA & UNCTAD).
 - Activity 5: A capacity building workshop on innovative finance within PPPs in Zambia is organized with attention to specific sectors including transport and energy (UNECA& UNCTAD)

ECA/UNCTAD/DESA- Planned outcomes/activities

- **Outcome 2: Private - domestic and international - resources are mobilized to respond to the National Development Plan and SDGs**
 - **Expected results: Private sector is better sensitized on its role in achieving the SDGs.**
 - Activity 6: Sensitization and Capacity building workshop/training to the private sector on Impact Investing and Corporate Sustainability Reporting (UNECA & UNCTAD).
- **Outcome 3: Monitoring progress on achieving the SDGs by policy makers is enhanced.**
 - **Expected results: Statistical capacities for tracking progress on the SDGs are enhanced.**
 - Activity 7: A training course is organized for policy makers on statistical tools to track progress on financing for SDGs in Zambia (UNECA).



Regional Activities component

For the Africa region, the United Nations Economic Commission for Africa (UNECA) will **set up a digital network /digital community of practice for African countries that are setting up and operationalizing the INFF.**

This will involve creating a network of INFF focal points at the relevant ministry – be it Ministry of Finance and Ministry of Economic Planning – whose aim is to promote cross-sharing of experiences in Africa on the INFF process and facilitate sharing of lessons learnt on responses to address the economic and financial impacts of Covid-19 in Africa.

The digital platform will also be integrated into a global knowledge platform on INFFs which is currently being developed by UNDP, DESA and the European Commission.

UNECA will also host a webinar for the INFF focal points at the Ministry of Finance and other senior government officials, private sector and civil society to stimulate discussions on Financing SDGs for Africa. The webinar will be organized in collaboration with UNDESA.



Concluded activity: Regional Activities component

Workshop on integrated national financing frameworks in Africa, 24–26 August 2021

Organized by UNITAR, UNECA, UNDP and UNDESA

-Joined forces to create a knowledge sharing and learning space for African countries where they can share their experiences of integrated national financing frameworks and best practices in that area with a view to facilitating the achievement of the Sustainable Development Goals and the aspirations, goals and targets of Agenda 2063 of the African Union;

-The aim of the workshop was to strengthen the knowledge of government officials and other stakeholders of integrated national financing frameworks;

-Foster a common understanding of the value of and methodology adopted within the context of those frameworks;



Thank You!

Bineswaree.bolaky@un.org