

HLPF SDGs Learning, Training and Practice Event

SDG Financing: An Integrated Approach

FSDO/DESA in collaboration with UNDP, IMF, WBG and UNITAR

15 July 2019, 15 – 18:00, United Nations Headquarters

About

The SDGs Learning, Training & Practice session on *SDG Financing: An Integrated Approach* will introduce methods for implementation of “integrated national financing frameworks” (INFFs). INFFs are a tool to formulate and implement comprehensive financing strategies for SDG implementation. They provide a roadmap to operationalizing the Addis Agenda at the country level, accompanied by multilateral action to create an international enabling environment.

The workshop will introduce and discuss key building blocks for INFFs, building on analysis in the 2019 *Financing for Sustainable Development Report (FSDR)*¹. It will start with a breakdown of the first building block, on assessments and diagnostics. This includes assessments of the financing landscape, financing needs, and identification of policy and capacity binding constraints. The workshop will then address the other building blocks, including the financing strategy. In this context it will highlight how to incorporate specific elements, such as blended finance as one tool used to finance SDG investments, including both its potential and risks.

The FSDR is a joint product by more than 60 UN and other relevant agencies working on development finance. The 2019 FSDR thematic focus chapter on integrated financing frameworks draws on ongoing analytical and operational work by UN-DESA, UNDP, the IMF, the World Bank and other Task Force members, who will jointly carry out this workshop.

¹ <https://developmentfinance.un.org/fsdr2019>

Programme

3 – 3:10 p.m. **Opening and Introduction**

Navid Hanif, Director, Financing for Sustainable Development Office, UN DESA

David O'Connor, UNITAR

Moderator: Shari Spiegel, Chief, Policy Analysis and Development Branch, FSDO/DESA

3:10 – 4 p.m. **Module 1: Integrated National Financing Frameworks: an overview**

Building blocks of Integrated National Financing Frameworks: *Shari Spiegel and Oliver Schwank, FSDO/DESA*

Integrated Financing: lessons from country experiences: Namibia (tbc)

4 – 5:15 p.m. **Module 2: INFF building blocks, with a focus on building block 1 (assessments and diagnostics)**

Understanding the financing landscape: *Tom Beloe, Governance, Climate Change Finance and Development Effectiveness Advisor, UNDP*

Financing needs and costing: *David Coady, Chief of Expenditure Policy, IMF*

Identifying binding constraints: *World Bank Group*

5:15 – 6 p.m. **Module 3: The example of blended finance**

Effectively integrating blended finance instruments into INFFs: appropriate use and managing risks: *Shari Spiegel, FSDO/DESA*

Background

The Addis Ababa Action Agenda notes that “integrated national financing frameworks that support nationally owned sustainable development strategies” will be at the heart of countries’ efforts to implement the 2030 Agenda, supported by an enabling international economic environment and international cooperation.

Four years after the adoption of the 2030 and Addis Agendas, the mobilization of sufficient financing and other means of implementation remains as a critical challenge. Only a quarter of national development plans contain a financing component. Similarly, most Voluntary National Reviews at the HLPF do not provide specific costings or details about how they would be financed. While some countries have made progress in aligning annual public budgeting with their national sustainable development strategies, coherent financing strategies would include a much wider range of elements, such as expenditure plans, revenue raising measures, policies to support investment and attract and align private finance with the SDGs, and development cooperation policies.

To help countries take a more cohesive approach that brings together these strands, the IATF laid out four building blocks of integrated national financing frameworks (INFFs) for the SDGs in the thematic chapter of the 2019 FSDR: (i) assessments and diagnostics of needs, flows, risks and binding constraints; (ii) a financing strategy that matches resources with needs; (iii) mechanisms for monitoring, review and accountability to facilitate informed policy making; and (iv) governance and coordination mechanisms to provide political backing and ownership. These building blocks are cohesively linked to national strategies, systems and processes.

Designing and implementing INFFs can be challenging. However, some countries have already made progress, and several international organizations have developed initiatives to strengthen support to country efforts in this area, including UNDP’s Development Finance Assessments. The World Bank, the IMF and other international institutions support countries in various elements of financing strategies, such as costing, medium-term revenue strategies and expenditure frameworks, and financial inclusion strategies. Their country assessments on binding constraints can also help inform INFFs.

The workshop will introduce the concept of INFFs, present select available tools for countries to implement such integrated approaches, and share lessons learned from such implementation efforts.