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# Joint SDG Fund - on SDG Financing

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## A. COVER PAGE

**1. Fund Name:** Joint SDG Fund

**2. MPTFO Project Reference Number**

**3. Joint programme title**

Institutionalizing and leveraging Zakat to finance SDGs in Mauritania

**4. Short title**

*Zakat for SDGs in Mauritania*

**5. Country and region**

Mauritania, West and Central African Region

**6. Resident Coordinator** (*name and contact email*)

Anthony Kwaku Ohemeng-Boamah, United Nations Resident Coordinator in Mauritania

**7. UN Joint programme focal point**

Anthony.ngororano, UNDP Representative, [anthony.ngororano@undp.org](mailto:anthony.ngororano@undp.org)

Ligane Massamba Sène, UN RCO Economist, [ligane.sene@un.org](mailto:ligane.sene@un.org)

**8. Government Joint Programme focal point**

Neziha Mohamed Said, Deputy Director of Studies, Regulation and Cooperation Directorate General of the Treasury and Public Accounting, Ministry of Finance, +222 22175859

**9. Short description:**

The Islamic Republic of Mauritania has reached a decisive turning point in its history and is at a turning point in the implementation of policies conducive to sustainable development, following the election of the new President in July 2019, marking the first country's peaceful transition and releasing a positive dynamic of transformative reforms in many sectors. Given the scarcity of financial resources and the enormity of the humanitarian and development challenges, it is necessary to widen the range of financing options available in the country, in particular by promoting innovative and transformative solutions. There are no methodology

and studies available in the country to measure and monitor the transmission channels and characteristics of Zakat payments. This lack of reliable official data on Zakat and its characteristics, coupled with a lack of understanding of its potential for the achievement of the SDGs by the public, inevitably hinders the government's capacity to make optimal use of these funds to effectively meet the development challenges. The still incomplete regulatory and legal framework also constitutes a constraint for maximizing the potential of Zakat and the development of Islamic finance in general. Through this project, the United Nations intends to support the Government in removing the existing major constraints and creating the preliminary conditions to be able to fully explore the opportunities offered by Zakat to fill the current financing gap for the SDGs. The expected results are to help the Government and the development actors better understand Zakat, its characteristics, strengths and weaknesses as a source of innovative financing for the SDGs in Mauritania, to improve the legal framework of Zakat and make sure the population understand and accept the importance of institutionalizing and optimizing the distribution of Zakat for financing development. Ultimately, the institutionalization of Zakat will allow considerable progress in achieving several SDGs. It is envisaged that the proposal will also provide an entry point and platform for a raft of related initiatives aimed at channeling domestic resources towards the SDGs. Specifically, the initiative will help channel philanthropy and voluntary contributions from both individuals and enterprises. In the case of the latter, the Government of Mauritania has, in the context of this initiative, begun exploring the possibility of making contributions from enterprises tax-deductible. The project will be anchored on a solid and effective partnership with the Government, development partners, civil society and the private sector. The proposal is perfectly aligned with the National Integrated Financial Framework (INFF) initiative.

## 10. Keywords:

SDGs  
Mauritania  
Zakat  
Inequality  
Islamic Finance  
Financing development

## 11. Overview of budget

<b>Joint SDG Fund contribution</b>	<b>USD 716 900</b>
Co-funding PUNOs	<b>USD 54 368</b>
<b>TOTAL</b>	<b>USD 771 268</b>

## 12. Timeframe:

<b>Start date</b>	<b>End date</b>	<b>Duration (in months)</b>
<u>30/07/2020</u>	<u>30/07/2022</u>	<u>24</u>

## 13. Gender Marker: 2

## 14. Participating UN Organizations (PUNO) and Partners:

### 14.1 PUNO

- **Convening agency:**  
**United Nations Development Programme (UNDP):**

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**Other PUNO:**

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- Buttoud Irina, Representative FAO [Irina.Buttoud@fao.org](mailto:Irina.Buttoud@fao.org)
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**14.2 Partners**

- National authorities:

Ministry of Islamic Affairs and Education: Abdi Salem Bowba, Chargé de Mission in the cabinet of the Ministry, +222 42420032, [abdisalem2017@gmail.com](mailto:abdisalem2017@gmail.com)

Ministry of Justice: Ahmed Med Hefda Taleb Ahmed President of the investigative cabinet, +222 26040873, [Ahmedjuge1980@gmail.com](mailto:Ahmedjuge1980@gmail.com)

Ministry of Economy and Industry: Abatna Med Mahmoud, Chargé de Mission in the cabinet of the Ministry, +222 32683700, [mbatne@gmail.com](mailto:mbatne@gmail.com)

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Civil society organizations / Religious organizations

- The Association of Mauritanian Ulemas,
- The National Union of Imams in Mauritania
- Support and care office / Bureau de Soutien et de soins

- ONG Besma et Emel
- ONG Choukran
  
- The Private sector and International Financial Institutions will be mobilized

**Joint SGD FUND – on SDG Financing**

**SIGNATURE PAGE**

**Zakat for SDGs in Mauritania**

**SIGNATURE PAGE**

<p><b>Resident Coordinator</b> Anthony Kwaku Ohemeng-Boamah Date and Signature: 31/3/2020</p>	<p><b>National Coordinating Authority</b> Name of institution: Ministry of Finance Name of representative: M. Mohamed Lemine Ould DHEBY</p>	<p><b>National Coordinating Authority</b> Name of institution: Ministry Industry Name of representative: M. Abdel Aziz Ould DAHI</p>
<p><b>Participating UN Organization (lead/convening)</b> Name of PUNO: UNDP Name of Representative: Anthony Ngororano</p>	<p><b>Participating UN Organization</b> Name of PUNO: UNFPA Name of Representative: Saidou Kabore</p>	<p><b>Participating UN Organization</b> Name of PUNO: FAO</p>
<p>Date Signature and seal</p>	<p>Date Signature and seal</p>	<p>Date Signature and seal</p>

**Note:**

- 1. Excellency Mohamed Lemine Ould Dhehby, Minister of Finance**
- 2. Excellency M. Abdel Aziz Ould Dahi, Minister of Economy and Industry**



## B. STRATEGIC FRAMEWORK

### 1. Call for Concept Notes: SDG Financing (2/2019) – Component 1

### 2. Programme Outcome [pre-selected]

- Additional financing leveraged to accelerate SDG achievement (Joint SDG Fund Outcome 2)

### 3. UNDAF Outcomes and Outputs

#### 3.1 Outcomes (*from UNDAF/Cooperation Framework*)

- Outcome 2: (UNDAF/CPDD Strategic priority 3 – Governance – Outcome 4): Central and local institutions ensure more effective and transparent management and coordination of public policies

#### 3.2 Outputs (*from UNDAF/ Cooperation Framework*)

- Output 1 : Decision makers and other actors (stakeholders) have evidence-based, gender-sensitive and youth specific data and analysis related to Zakat **linked to** an output from the UNSDCF / CPDD Strategic priority 3 on Governance - Outcome 4 - Output 2: Institutions have increased capacities and skills to produce and make disaggregated data and analyses on the vulnerabilities and well-being of populations available, in order to ensure regular monitoring of the level of achievement of results, in particular of the SCAPP, by decision-makers and communities

#### Other Outputs

- *Output 2: Provision made for the legalization of Zakat, its integration into the public finance legislation and for the creation of the Zakat management body*
- *Output 3: Increased awareness and commitment regarding the institutionalization of Zakat collection and distribution, with a special effort to address the female audience*

### 4. SDG Targets directly addressed by the Joint Programme

#### 4.1 List of goals and targets

SDG 17 - Strengthen the means of implementation and revitalize the global partnership for sustainable development

Target 17.3 (*Finance*) - *Mobilize additional financial resources for developing countries from multiple sources*

Target 17.18 (*Data, monitoring and accountability*) - *By 2030, provide increased support for capacity-building in developing countries, particularly the least developed countries and small island developing States, with the aim of having Much higher quality, up-to-date and accurate data, disaggregated by*

income level, sex, age, race, ethnicity, migration status, disability and geographic location, and other country-specific characteristics.

SDG 5 - Achieve gender equality and empower all women and girls.

*Target 5.1 End all forms of discrimination against women and girls everywhere*

SDG 2 – End hunger, ensure food security, improve nutrition and promote sustainable agriculture

Target 2.1 - By 2030, end hunger and ensure that everyone, especially the poor and vulnerable, including infants, has access to healthy, nutritious and sufficient food all year round.

SDG 1 – End poverty in all its forms everywhere

Target 1.4 - By 2030, ensure that all men and women, especially the poor and vulnerable, have equal rights to economic resources and have access to basic services, to property and control of land and other forms of property, inheritance and natural resources, and new technologies and adequate financial services, including microfinance.

**Ultimately, the institutionalization of Zakat will also have an impact on the SDGs below** ; however as already explained, it will not necessarily be followed during this phase, which seeks more to manage the constraints and remove obstacles and create the favorable conditions for an institutionalization and an optimization of the collection and distribution of Zakat.

SDG 8 - Promote sustained, shared and sustainable economic growth, full productive employment and decent work for all

Target 8.5 - By 2030, achieve full productive employment and guarantee all women and men, including young people and people with disabilities, decent work and equal pay for work of equal value.

Target 8.6 - By 2020, significantly reduce the proportion of young people who are out of school, unemployed and without training.

SDG 10 - Reduce inequality across countries and across countries.

SDG 16 - Promote Peaceful and Inclusive Societies for Sustainable Development; Provide Access to Justice for All and Build Effective, Accountable and Inclusive Institutions at All Levels.

#### 4.2 Expected SDG impact

Through this project, the United Nations and development partners would like to support the Government to manage constraints and remove obstacles in order to release the potential of Zakat finance for development. Zakat is an internal resource base hitherto under-exploited or even unexploited in Mauritania. The availability of statistics on Zakat will help contribute to better monitoring of SDGs and would make available to the Government and stakeholders evidence, for efficiency gains in economic management and for more informed policies. These

data and the activities of the project will consider the gender and youth dimension (SDG 5). The project is directly linked to the SDG Target 17.18 (*Data, monitoring and accountability*). An effective management system can help reduce the income gaps within and between communities and mobilize then direct financial resources towards the neediest and towards productive activities (SDG 10). Zakat recipients, including those excluded from the conventional banking system, especially vulnerable women and youth, can use the funds to finance their own business projects and possibly in turn contribute to Zakat. Efficient implementation of Zakat would also strengthen social protection (SDG 16) in Mauritania by protecting the most vulnerable from risk and provide additional support to the Government in the implementation of its new program to combat exclusion and all forms inequality, including that related to gender (SDG 5). Zakat also applies to food products from agriculture and livestock and can also be a powerful instrument to fight hunger, radicalization of vulnerable groups, especially youth, and promote food security, agricultural and rural transformation and resilience to climate change (SDG 2). Ultimately, the institutionalization and optimization of the collection and distribution of Zakat would also contribute to health, education and the creation of jobs.

## **5. Relevant objective(s) from the national SDG framework**

- National Strategy for Accelerated Growth and Shared Prosperity (SCAPP) 2016-2030
- Priority Action Plan 2016-2020 of the SCAPP
  - Strategic lever 1: Inclusive Growth
    - Strategic area 2: Promotion of the private sector and improvement of business practice
      - Promotion of a solid and inclusive financial sector
      - Promotion of Islamic finance
      - Improvement of the legal and regulatory framework
      - Improved financial inclusion
    - Strategic lever 3: Governance
      - Strategic area 13: Better economic and financial governance
      - Strategic area 11: Promotion of women's civic participation and the fight against gender-based discrimination

## **6. Brief overview of the Theory of Change of the Joint programme**

The project is based on the idea that i) an institutionalization of Zakat would allow optimal collection and distribution of Zakat funds, which would make it an important and innovative lever to finance development, ii) and on the fact that filling the knowledge gap on Zakat and its characteristics, improving the legal framework and enhancing public awareness are preconditions for a successful institutionalization of the collection and distribution of Zakat. The theory of change for this project follows the same dynamics as that of the "Joint SDG Fund" and is also aligned with the CPDD / UNSDCF. Project interventions relate to three mutually reinforcing pathways. Pathway N ° 1: The project is an opportunity to allow the government and stakeholders to have tools to improve their knowledge of Zakat and its characteristics, a precondition for the success of the institutionalization. Zakat is often given informally, so there are no official data; Pathway N ° 2: For activities contributing to the Zakat



strategy and the strengthening of the legal framework for the institutionalization of Zakat; and Pathway N ° 3: The project will help enhance public understanding and raise public awareness about Zakat compliance, which will increase Zakat disbursements, and the need to adhere to the formalization of Zakat and build public confidence.

## **7. Trans-boundary and/or regional issues**

**The project aims to contribute to the dialogue on cross-border and regional issues related to the SDGs.** The implementation of the project will feed cross-border dialogue on the potential of Zakat and Islamic finance throughout the Sahel, a region in which countries face the same challenge of insufficient resources to fund development and which ranks among the most vulnerable to climate change in the world. The institutionalization of Zakat and an optimal use of resources should ultimately make it possible to strengthen the resilience of communities to climate change. As a reminder, Mauritania experiences episodes of drought, irregular rain and more recurrent floods that affect agro-pastoral communities, especially in the southern, central and eastern regions of the country.

With huge humanitarian challenges and the influx of refugees in M'Berr camp, one of the poorest regions of the country, a consequence of security threats in the Sahel zone, the institutionalization and then the optimization of Zakat flows could provide additional resources for communities as well as help build peace. It is important to establish links at the regional level in everything directly or indirectly related to humanitarian and economic interventions. The project will draw inspiration from similar initiatives implemented in the MENA region (Middle East and North Africa) and in Sub-Saharan-Africa by highlighting the best practices and lessons learned in these countries.

## C. JOINT PROGRAMME DESCRIPTION

### 1. Baseline and Situation Analysis

#### 1.1 Problem statement

**The Islamic Republic of Mauritania has reached a decisive turning point in its history and is at a turning point in the implementation of policies conducive to sustainable development,** following the election of the new President in July 2019, marking the first peaceful transition of the country.

The government has adopted the *Strategy for Accelerated Growth and Shared Prosperity (SCAPP)*, a national development plan perfectly aligned with the SDGs and which aims to make Mauritania an emerging country by 2030. Numerous reforms aimed at improving both the business environment and strong and inclusive financial sector have been implemented.

Despite the sustained growth in GDP from 2008 to 2014 and the considerable macroeconomic performance, both in the extractive and non-extractive sectors, and despite the improvement in development results over the past two decades, the overall level of socio-economic development remains far from the Sustainable development goals. In fact, the country is facing short and medium term constraints in terms of liquidity, high debt levels, persistent inequality, development of human and institutional capital, which seriously hinder its ability to foresee the "Big Push" required to meet its many challenges.

In order to consolidate the achievements of the first phase of the 2016-2020 SCAPP and accelerate the process of socio-economic transformation, the Government is preparing a second phase. The success of this second phase will therefore depend strongly on the effectiveness of the implementation of the reforms, but also inevitably on the level of available financial resources and their uses. **Resource mobilization, both internal and external, is important due to the increasingly pressing social demand and the need to invest in both the productive and the social sectors.** Mobilizing public aid and other traditional sources of funding is not without challenges, and the successful implementation of the national development plan requires various funding options. **It is therefore necessary to widen the range of financing options available in the country, in particular by promoting innovative and transformative solutions.**

The Islamic finance sector has grown rapidly over the past decade globally with an annual growth rate of 10 to 12%, from around USD 200 billion in 2003 to USD 2 trillion and assets are expected to reach US \$ 3.5 trillion by 2021. Solidarity-based Islamic finance mechanisms like Zakat, a tool for Islamic philanthropy, have considerable potential to promote new sources of finance to accelerate the achievement of the SDGs. According to the Islamic Development Bank, the potential of Zakat at the global level could reach 1000 billion USD per year.

**As a reminder, zakat is the gift of 2.5% of its wealth (gold, cash, commercial assets, agricultural products, livestock, etc.) to the poor, in accordance with Islamic principles.** It is the third of the five fundamental obligations of Islam and an act of worship that requires institutionalization for its full potential to be released and for its transformational impact to materialize. Every Muslim eligible to pay is therefore required to perform Zakat as a religious duty, which in turn is used in accordance with the Qur'an for charitable purposes. Although its exact extent is still unknown, Zakat is widespread in Mauritania and can be an effective tool for mobilizing funds to finance development.

In fact, there is no formal system of calculation, collection and distribution to demonstrate its potential in the fight against poverty and for an egalitarian distribution of income. This lack of institutional structures considerably limits the ability of the instrument to contribute substantially to the achievement of SDGs.

The development of Zakat, as an effective tool for poverty reduction and socio-economic development in Mauritania, faces several constraints. Based on the latent potential of Islamic finance and Zakat, the United Nations Development System intends to respond to the request of the Mauritanian Government to structure and develop the Zakat sector.

**In addition, there are no methodology and studies available in the country to measure and monitor the transmission channels and characteristics of Zakat payments.** Most transfers are disbursed through informal mechanisms and most often managed by mosques, individual contributors and religious authorities and organizations. This prevents from having clear information about the volume of these funds and leads to ignoring their origin, destination and use. This lack of reliable official data on Zakat and its characteristics, **coupled with a lack of understanding of the potential of Zakat for the achievement of the SDGs by the public,** inevitably hinders the government's capacity to make optimal use of these funds to effectively face development challenges.

**The still incomplete regulatory and legal framework also constitutes a constraint for maximizing the potential of Zakat** and the development of Islamic finance in general.

In this context, this project, implemented thanks to a collaboration between the Government of Mauritania and the United Nations, will try to identify the missing elements of the Zakat landscape and related Islamic financial products by developing empirical analyses to collect information on the size, characteristics and movements of capital and goods. **Concrete actions will be taken to create the conditions and mechanisms to explore the way in which funds can be directed to the areas where the needs are most urgent and increase financial inclusion and effectively lead to deep socio-economic transformation.** An important element of the project will focus on measuring and mapping Zakat, which will provide evidence and guidance for a clearly defined and effective political response.

Through this project, the United Nations would like to support the Government in removing the existing major constraints in order to be able to fully explore the opportunities offered by Zakat to fill the current financing gap for SDGs through:

- i. a better understanding of Zakat and the related Islamic financial landscape by identifying key actors
- ii. The development of a Zakat strategy, an establishment of a regulatory instrument to formalize Zakat as a financing instrument for sustainable development and the creation of a favorable framework for the establishment of a system capable of optimizing collection and distribution. When properly administered, Zakat can therefore reduce inequalities and lay the groundwork for better shared social well-being. With this in mind, some Muslim-majority countries have taken the option of creating an adequate regulatory framework and setting up an institution for the management of Zakat. Such an institution can ensure optimal collection and redistribution of zakat flows provided that the conditions for its establishment are well ensured from the conceptual, institutional and financial point of view.
- iii. Raising public awareness, to help both potential beneficiaries and contributors better understand the importance of the formalization of Zakat, the convergence between SDGs and the principles of Islamic law, thus avoiding apprehension and reluctance and creating an environment conducive to effective administration of Zakat.

**Mauritania has an affirmed and shared will to lead this project, with the United Nations, given the large and uncontrolled flows of zakat and the absence of an institution dedicated to management.** For the United Nations Development System in Mauritania, this project is an excellent opportunity to support the Mauritanian Government and help:

- Mobilize internal resources to finance SDGs
- Leverage innovative financing mechanisms for development
- Contribute to the reduction of inequalities and the promotion of shared social well-being

The project is fully in line with the objectives of the United Nations Sustainable Development Partnership Framework (CPDD) / UNSDCF as well as those of the SCAPP.

## **1.2 SDGs and targets**

Basically, through Zakat, the program aims **to manage constraints and remove obstacles** in order to release the potential of Islamic finance for development. Zakat is an internal resource base hitherto under-exploited or even unexploited in Mauritania.

By helping stakeholders understand the nature, extent and use of Zakat payments, the project will support the Government's efforts to reduce poverty and inequalities (regional disparities, gender inequalities and opportunities). Until now, there are no reference situations and data on the extent and characteristics of Zakat in Mauritania yet.

Arrangements will therefore be made for an in-depth knowledge of Zakat, a mapping of all the actors and the creation of favorable conditions for an effective management system able **to reduce the income gaps within and between communities, to mobilize then direct financial resources** towards the most needy and towards productive activities. Zakat recipients, including those excluded from the conventional banking system, especially **vulnerable women and youth**, can use the funds to finance their own business projects and possibly in turn contribute to Zakat.

In fact, the emphasis on women is justified by the fact that relations between men and women continue to be marked by great inequalities, despite the Government's ever-increasing desire to consider gender related, through its legal arsenal and the consideration of human rights, and despite the notable progress observed in several areas (participation of women in decision-making bodies, education, health, etc.). Mauritania is among the last ten countries in the 2014 gender inequality index (152th out of 162 countries). Women's access to financial resources and factors of production is a catalyst for development and must be considered and integrated into any intervention by the Government, including in this project.

**Efficient implementation of Zakat would also strengthen social protection** in Mauritania by protecting the most vulnerable from risk and provide additional support to the Government in the implementation of its new program to combat exclusion and all forms inequality, including that related to gender.

The TAAZUR delegation for social protection and national solidarity, newly created to implement the new vision of the President, will develop its first action plan in 2020. At the same time, a national social protection strategy is being developed, and should integrate, holistically, the mechanisms of Islamic finance and the principles of solidarity and cohesion they establish.

The project will provide basic information and analysis to see how Zakat could interact with other existing social protection modalities (Tekavoul, INAYA, SWEDD projects) and how it fits into the vast current social protection system.

**Zakat also applies to food products from agriculture and livestock and can also be a powerful instrument to fight hunger, radicalization of vulnerable groups, especially youth, and promote food security, agricultural and rural transformation and resilience to climate change.** Ultimately, the institutionalization and optimization of the collection and distribution of Zakat would also contribute to health, education and the creation of jobs.

In a country like Mauritania, with huge humanitarian challenges and the influx of refugees in M'Berra camp, in the south-east of Mauritania, funding options should be diversified by effectively integrating Zakat into the financial architecture of the humanitarian sector. Despite its potential, Zakat has remained on the margins of **humanitarian operations** and is underused in this area.

**The availability of statistics on Zakat will help contribute to better monitoring of SDGs** and would make available to the Government and stakeholders evidence, for efficiency gains in economic management and for more informed policies. **These data will consider the gender and youth dimension.**

Of course, the project is directly linked to the Governance lever of the Partnership for Sustainable Development Framework (CPDD / UNSDCF). Outcome 1: Central and local institutions ensure more effective and more transparent management and coordination of public policies.

That being said, **more nominally**, the project contributes directly and indirectly to achieving the following SDGs:

SDG 17 - Strengthen the means of implementation and revitalize the global partnership for sustainable development

Target 17.3 (*Finance*) - *Mobilize additional financial resources for developing countries from multiple sources*

Target 17.18 (*Data, monitoring and accountability*) - By 2030, provide increased support for capacity-building in developing countries, particularly the least developed countries and small island developing States, with the aim of having much higher quality, up-to-date and accurate data, disaggregated by income level, sex, age, race, ethnicity, migration status, disability and geographic location, and other country-specific characteristics.

SDG 5 - Achieve gender equality and empower all women and girls.

Target 5.1 *End all forms of discrimination against women and girls everywhere*

SDG 2 – End hunger, ensure food security, improve nutrition and promote sustainable agriculture

Target 2.1 - By 2030, end hunger and ensure that everyone, especially the poor and vulnerable, including infants, has access to healthy, nutritious and sufficient food all year round.

SDG 1 – End poverty in all its forms everywhere

Target 1.4 - By 2030, ensure that all men and women, especially the poor and vulnerable, have equal rights to economic resources and have access to basic services, to property and control of land and other forms of property, inheritance and natural resources, and new technologies and adequate financial services, including microfinance.

**Ultimately, the institutionalization of Zakat will also have an impact on the SDGs below** ; however as already explained, it will not necessarily be followed during this phase, which seeks more to manage the constraints and remove obstacles and create the favorable conditions for an institutionalization and an optimization of the collection and distribution of Zakat.

SDG 8 - Promote sustained, shared and sustainable economic growth, full productive employment and decent work for all

Target 8.5 - By 2030, achieve full productive employment and guarantee all women and men, including young people and people with disabilities, decent work and equal pay for work of equal value.

Target 8.6 - By 2020, significantly reduce the proportion of young people who are out of school, unemployed and without training.

SDG 10 - Reduce inequality across countries and across countries.

SDG 16 - Promote Peaceful and Inclusive Societies for Sustainable Development; Provide Access to Justice for All and Build Effective, Accountable and Inclusive Institutions at All Levels.

**The targets of the selected SDGs are interdependent and mutually reinforcing.** By leveraging Zakat flows, the Mauritanian government in collaboration with the United Nations and partner agencies would be able to intensify efforts to promote and strengthen local economic ecosystems, community resilience and social protection systems.

### **1.3 Stakeholder mapping and target groups**

This project brings together many actors in its design and implementation, each stakeholder driven by its short, medium and long-term interests. **Political decision makers**, including the two Ministers who signed this ProDoc, are interested in mobilizing additional resources to finance development, in this context of scarcity of public resources and major humanitarian and development issues. State institutions will play an important role in the implementation of this project. In fact, an integrated interdepartmental process brings together the following departments. The **Ministry of Finance (MF)**, the main implementing partner, in charge of the development of Islamic social financing instruments in the country, will provide leadership and management, at government level, of the entire institutionalization process of Zakat. The MF will work closely with United Nations agencies to effectively implement the planned activities, co-direct the steering committee and coordinate all actions of the Government and other partners. The technical directorates of the Ministry have a strong interest in the estimation and understanding of the contribution of Zakat to economic development.

**The Ministry of Islamic Affairs and Traditional Education (MIATE)**, in accordance with one of its missions "to make the Department's contributions to development projects through

the Awakafs and Zakat more active and efficient", will work with the United Nations, the MF and other stakeholders on the mapping of Zakat in the country, the legal framework for the institutionalization of zakat, advocacy and communication with religious leaders on mechanisms for collecting and redistribution of Zakat.

**Ministry of Economy and Industry (MEI)** will support the coordination and implementation of actions related to zakat mapping, communication, capacity building, especially at the subnational level through its regional units. As the main partner for implementing the 2030 Agenda and integrating the SDGs into national plans, the MEI will also play an important role in the development phase of SDG-related projects, which will be an extension of the present project.

**The Ministry of Justice (MJ)** is an important partner in the mapping phase (the study of the legal framework component), in the drafting of the Zakat law and the development of other aspects of legalization on Zakat.

As part of the country's financial market development strategy, the Central Bank of Mauritania (BCM) will be an important ally for working on Islamic finance instruments such as the Zakat. The BCM will provide advice and assistance on collection and redistribution mechanisms and will serve as the body that oversees Zakat's formal flows.

**Religious leaders and organizations** will collaborate, mainly as an advisory body, on the Islamic aspect of the institutionalization of zakat. They will ensure the alignment of the methods of collecting and distributing Zakat with Islamic laws, will help draft the Zakat bill, will conduct advocacy with the populations in the process of formalizing Zakat and will provide advice to Zakat payers on payment options.

Ultimately, the United Nations agencies and the MF will work with the Mauritanian Private Sector to develop the "Zakat Enterprise" tool and create partnerships with entities such as banks and money transfer companies for the collection and distribution of Zakat.

In addition, the entire **Private sector** (conventional and Islamic commercial banks, insurance companies, impact investors, pension funds, socially responsible investors, etc.) will also participate in activities to reflect on the failures of conventional finance in funding development and will contribute substantially to the development of recommendations for the institutionalization and optimization of Zakat. The project will also be an opportunity to strengthen the commitment of all private sector actors to the implementation of initiatives in favor of SDGs.

Concretely, the Private sector will play key roles during the various stages of the implementation process: In the preliminary phase of concertation and design, it will provide valuable information to better understand the flows of Zakat and means to improve its disbursements, it will also offer insights on how best to help institutionalize Zakat by favoring the adhesion of private companies. Later on, Private sector will participate in the creation and management of the envisioned Zakat Agency and help establish its procedures and participate in its oversight as it is meant to be a participative institution. Private sector will also play a key role in the overall sustainability of the system through enhancement of the inclusion of Zakat beneficiaries in the banking system, the selection, design and implementation of SDG favorable projects and the scaling up of the funding through voluntary contributions.

**Civil Society Organizations** will contribute to the process with communication, advocacy and capacity building activities, insofar as they will be in contact with the government, partners and populations. Always to maintain a participatory dynamic, **Universities, NGOs and Research Centers** will be involved in the conduct and examination of the results of the mapping and analytical work.

CSOs will also play an important role in the communication aspect of the project as they will help further the project agenda by contributing to the adhesion of the general public to the

approach and by providing inputs on how to implement the system in a way that ensures traceability of the collected funds and the overall governance quality of the Zakat system. As for the private sector, CSOs are important stakeholders and would participate in the management and/or oversight of the proposed Zakat Agency.

**The National Statistical Agency in collaboration with the UN** and other entities will provide data on the extent of zakat payments and their transmission channels as well as related information on the socio-economic conditions of households. The **World Bank**, the **IMF** and the other **development partners**, with their specific expertise in finance, will contribute to the mapping and analytical work of Zakat flows.

As for the **Parliamentarians**, they will be associated with the work on the legislation and will play an important role in the design and future adoption of the draft law on Zakat.

The United Nations, under the leadership of the Resident Coordinator and through the UNDP as lead partner, in consultation with the Ministry of Finance, has positioned itself as a neutral and an independent guarantor of effective management and supervision of resources Zakat and controller of the quality of the management and future disbursement of these funds. Through this joint initiative, the UNDP Country Office intends to take advantage of this unique opportunity to demonstrate its role as an integrator. UNDP expertise in policy development, support in resource mobilization and in strengthening the governance framework provides a solid foundation for project success.

Thus, in accordance with its Strategic Plan and the 2018-2022 Country Program Document, the UNDP will mainly a) play a unifying role beyond the partitions between policies, programs and (religious) organizations; b) serve as an operational link between the United Nations System and other stakeholders.

Zakat on agricultural products, including animals, should not be overlooked in this project, as they are very common and can have huge implications for food security and poverty. **FAO** will contribute to this initiative by bringing its expertise to understand the links between Zakat and the agricultural sector, especially its place in the agricultural financial ecosystem. FAO will also participate in the institutionalization of Zakat, by providing tailored recommendations considering the context of rural areas.

Ultimately, FAO will also participate in providing guidelines to identify investment opportunities in line with SDGs in the agribusiness sector. These investments will contribute to economic growth, create jobs in rural economies, empower women and youth, improve populations' livelihoods over the long term, promote gender equality and reduce poverty.

FAO will now contribute to the implementation of the project and will promote private investment in the agricultural and agro-food sector in the future by activating its mobilization power, its global networks, its expertise in normative matters (such as Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests, the OECD-FAO Guidance for Responsible Agricultural Supply Chains; the Committee on World Food Security Principles for Responsible Investment in Agriculture and Systems Food; the Guiding Principles on Developing Sustainable Food Value Chains, and Investment). Under this program, in collaboration with all stakeholders (the Government, the private sector, financial institutions, development partners and civil society organizations, etc.) FAO will contribute to the institutionalization of Zakat and the development of strategies capable of maximizing the potential of Zakat and encouraging more efficient, innovative, inclusive and responsible investments, targeting in particular young people and women - the unemployed, producers and agri-entrepreneurs.

In particular, FAO will support the development of these strategies by drawing on its expertise and experience at the subregional level. FAO has developed a methodology, deployed in Tunisia, to identify concrete solutions to stimulate, increase and sustain investment by young people. The FAO first identifies i) regions with high development potential, ii) sectors with real



investment opportunities, and iii) beneficiaries (differentiation of youth groups) by a detailed analysis of the data. Through this analysis, an assessment of the framework conditions relating to investment, and a participatory approach, FAO then develops concrete solutions with national stakeholders. This methodology could be adapted to the Mauritanian context with a focus on the identification of investment opportunities and beneficiaries of institutionalized zakat.

FAO has also strong regional and sub-regional experience in terms of capacity building of key political decision-makers (in Guinea, Mali, Mauritania and Senegal) and technical support for the review of agricultural investment approval processes to guarantee a positive impact of these investments, in particular with vulnerable communities (especially in Sierra Leone in the context of the application of the voluntary guidelines on land). Thus, in the context of the future distribution and use of the funds collected by Zakat, the FAO will be able to use its expertise to contribute to the establishment of an efficient and transparent approval process to promote responsible agricultural investments benefiting especially to the most vulnerable populations including young people and women

In accordance with its mandate and its experience, **UNFPA** will support the collection and analysis of data on Zakat and the mapping of areas of vulnerability, and ultimately targeting of the poor and those in distress, eligible for Zakat funding. In addition, thanks to its operations throughout the country, UNFPA will contribute to raising awareness for the mobilization and optimization of Zakat among populations and in the private sector, as well contributing to the preparation of legal instruments for the institutionalization of Zakat.

The **populations** and **communities** who will ultimately benefit from the institutionalization of Zakat and the optimization of its distribution will be strongly involved in the process.

An inclusive and non-discriminatory approach, in accordance with the “No one is left behind” approach, will be adopted with the involvement and consideration of individuals and groups belonging to all sections of the population (poor, women, vulnerable young people, vulnerable refugees and migrants, people with disabilities etc.). These groups will participate in data collection and will be at the heart of methodological analyses aimed at supporting the potential of Zakat in improving living conditions. In addition, they will be the target of awareness-raising activities aimed at establishing better ownership and understanding of the initiative and its links with SDGs.

On the supply side, the project will also focus on Zakat contributors and the destinations of the flows.

## 2. Programme Strategy

### 2.1. Overall strategy

**The United Nations and partners will rely on the change in the political context and the positive reform dynamic initiated by the Government to implement the project,** while aligning with the CCPD / UNSDCF, framework for implementing its interventions in the country.

The strategy is to first analyze data and information on the characteristics, origin and destination of payments from Zakat and other related flows of Islamic finance. The results of the data analyses will be used for capacity building activities and will form the basis of publications, from which will emerge practical and pragmatic recommendations which will serve to guide develop a comprehensive national strategy and institutionalize Zakat. The

project will also include a dissemination component in order to increase awareness and engage stakeholders and the general public.

**More specifically and in accordance with the request of the Mauritanian Government, the project will be based on the following three strategic levers:**

- 1- Understanding Zakat and its strengths and weaknesses as a source of funding for development objectives, by mapping and sizing the "market" for Mauritanian Zakat

This first strategic lever of the project aims to improve the analytical capacity of the government and all stakeholders in relation to Zakat and other Islamic financial flows. The mapping will identify the spatial distribution of Zakat flows while providing information on their types, origins, destinations and transmission channels. This will help design tailor-made strategies for the localities. This is all the more necessary since the SCAPP vision includes balanced regional development based on adequate spatial planning and effective decentralization of resources.

A workshop to launch the initiative will be organized in the form of consultations with stakeholders to discuss Islamic finance, Zakat in particular, and address the issues and challenges of financing for development in Mauritania. In addition, this meeting will also help to understand the flaws of conventional finance to fight effectively against poverty and inequality. The organization of the conference on the restitution of mapping and analytical work will aim for a substantial participation of women with a participation rate of at least 30%.

An analysis report on gender-sensitive data will be discussed during an event that will bring together many stakeholders, deliberate on the results and propose concrete political actions necessary for the institutionalization of Zakat and the optimization of its collection.

The data collected will allow empirical verification of how Zakat affects the distribution of income in Mauritania, among other causal analyses.

- 2- Improvement of the regulatory framework for optimal use of Zakat and capacity building

The approach will also be to introduce Zakat into the scope of public finance laws, support the development of a master plan/strategy for the establishment of a "Zakat management body".

The project aims to provide trainings and capacity development activities to improve governmental, regulatory, and private sector capacity on Zakat and Islamic finance. This is achieved through the organization of platforms, bringing together experts from countries successfully engaged in this type of initiative. Information from survey data will be used as training materials to better understand the use of Zakat in different local contexts.

- 3- Making stakeholders aware of Zakat and the coherence between the principles of Islamic finance and the Sustainable Development Goals (SDGs).

The project will be based on a national awareness campaign around the Zakat initiative and the coherence between the principles of Islamic finance, Islamic jurisprudence and the objectives of sustainable development. This is crucial for the success of the initiative because people are used to giving Zakat without interference from a third person and may become reluctant to continue with the same intensity when faced with a change of approach. The population should be informed of the advantages of the approach in targeting vulnerable and needy people. Awareness adapted to national and territorial needs would inevitably strengthen the support of fellow citizens for the project and have an impact on the formalization of Zakat. The dissemination of the results of the empirical work of the first strategic lever of the mapping project will also serve to fuel awareness-raising activities.

All the levers of the project complement each other and will contribute to the achievement of the overall objective of the project. **National ownership is ensured in the implementation of the project insofar as consultations with the Government have already started, a solid governance framework has been established and an agreement has been reached with the National Institute of Statistics** to introduce a module on Zakat in the survey on the living conditions of households. **The project implementation strategy aims to be participatory and transparent for all activities.** The strategy is based on the national structures involved in the domestic mobilization of resources to ensure **sustainability** and aims to support and complement the efforts of the Government in this direction.

**The initiative is in keeping with the spirit of the SDG Fund on development finance** as it helps to “connect the dots” by encouraging systemic change around the effective mobilization and use of resources for development and inclusion financial. As recommended for the use of SDG Fund resources, the proposed program will make it possible to deploy innovative financing instruments (Zakat tool) to increase the flow of resources available for the SDGs. **The project will be anchored on a solid and effective partnership with the Government, development partners, civil society and the private sector.**

Thus, **the project is perfectly aligned with the National Integrated Financial Framework (INFF) initiative**, which aims to help governments and their partners better understand the national financial landscape and coordinate their efforts to mobilize, catalyze and align a wide range of funding sources - public and private, national and international, with countries' sustainable development priorities. This project is a perfect opportunity to launch the INFF initiative in Mauritania, specifically in the context of implementation of the next five-year action plan of the Accelerated Growth and Shared Prosperity Strategy (SCAPP)-Mauritania national development plan. The Zakat initiative, as it allows the country to diversify the sources of its domestic resources, will support a better alignment of the national budget to the SCAPP's priorities for 2021-2020 will also support an efficient implementation of the SDG priority targets integrated in the national plan. The initiative will also change how the resources (financial and in-kind) are used and prioritized, as the main goal and obligation of Zakat is to help the poor and vulnerable groups.

It is also envisaged that the proposal will also provide an entry point and platform for a raft of related initiatives aimed at channeling domestic resources towards the SDGs. Specifically, the initiative will help channel philanthropy and voluntary contributions from both individuals and enterprises. **In the case of the latter, the Government of Mauritania has, in the context of this initiative, begun exploring the possibility of making contributions from enterprises tax-deductible.**

In addition, the institutionalization of Zakat can be potentially useful to support the localization of the SDGs through the financing of a sustainable integrated local development solution for the reduction of poverty and inequalities, the empowerment of women and young people and building resilience.

At the same time, this initiative is fully aligned with the **UNDP Strategic Plan**, which advocates mobilizing other forms of development finance from public and private sources, notably using innovative instruments. The initiative is also part of the new strategic vision of the UNDP regional office for Africa aimed at going beyond "Development Aid" and using more domestic resources in Africa.

With the existence of Zakat levies on agricultural products and the prevalence of Zakat payments in rural and agricultural areas, this initiative is also fully aligned with the **FAO's Strategic Objectives**, especially with the objective of transforming food systems in a sustainable manner. FAO aims to contribute to the development of sustainable food systems by ensuring food security and nutrition for all so as not to compromise the economic, social

and environmental foundations necessary to ensure food security and nutrition for future generations.

In addition, this initiative is also fully aligned with the **UNFPA's Strategic Plan 2018-2021** which aims to promote the right to health and equal opportunities between men, women, youth, and all poor people in all circumstances, including in a humanitarian emergency. UNFPA will offer its expertise in advocacy and the formulation of strategic recommendations in order to be able to formalize and maximize the potential of Zakat to improve the well-being of populations, reduce maternal mortality and poverty by ensuring that all girls and women are treated with dignity and respect.

Notwithstanding the expected positive effects detailed above, it is important to make sure the institutionalization of Zakat does not have an eviction effect on the existing traditional and informal social solidarity mechanisms. In this regard, CSOs, especially religious scholars, imams and other traditional leaders should be assigned a role regarding this issue. During the early stages of the project implementation, a communication strategy addressing this issue will be developed. This strategy would reconcile the two objectives of "institutionalizing Zakat" while "preserving and enhancing the traditional and informal social solidarity mechanisms".

## **2.2 Theory of Change**

The project is based on the idea that i) an institutionalization of Zakat would allow optimal collection and distribution of Zakat funds, which would make it an important and innovative lever to finance development, ii) and on the fact that filling the knowledge gap on Zakat and its characteristics, improving the legal framework and enhancing public awareness are preconditions for a successful institutionalization of the collection and distribution of Zakat. The theory of change for this project follows the same dynamics as that of the "Joint SDG Fund" and is also aligned with that of the CPDD / UNSDCF. Project interventions relate to three mutually reinforcing pathways.

Pathway N ° 1: The project is an opportunity to allow the government and stakeholders to have tools and devices to improve their knowledge of Zakat and its characteristics, a precondition for the success of the project. Zakat is often given informally, so there are no official data.

Interventions will be based on the collaboration between all the players to identify the characteristics of the Zakat instrument and situate it in the country's financial and economic architecture. Then, it will be necessary to identify exhaustively all the actors involved in the mapping, in particular those likely to take part in the collective action of the institutionalization process, as well as the operating mechanisms. The data collected in Activity 1.1 (*Establish measurements (baselines), including finalizing the national survey and conducting a perception survey to examine national trends in the use of Zakat and map the Zakat financial landscape*) will be used to assess the potential of Zakat as a tool for poverty reduction and income redistribution between different social categories.

The activities identified under this pathway will provide evidence and guidance for the implementation of remaining activities. The best technical, financial and socio-environmental options for the institutionalization of Zakat will be identified.

More specifically the activities will:

- Establish measurements (baselines), including finalizing the national survey (UN and the National Statistical Institute agreed to incorporate a Zakat Module) and conducting complementary and perception survey to examine national trends in the use of Zakat and map the Zakat financial landscape. The project will collect data on preferences for payment systems of Zakat payers. The perception survey will also be conducted at the national level to examine national trends in the use of Zakat (citizens' preferences regarding the supply of Zakat, nature of Zakat, use of Zakat by recipients, etc.). The national survey, which is very advanced (the first one since 2014), combine this the perception survey will allow the creation of reliable databases of the stratification of Mauritanian society in terms of typologies of actors and spatial distribution: payers, beneficiaries, informal Zakat management entities. The national survey will provide the first information on Zakat but also will serve as a sampling frame for the complementary survey. (Activity 1.1).
  
- Produce a report on Zakat in Mauritania (publicized and made available on websites). The studies will conduct a gap analysis, estimates Zakat flows, their characteristics and transmission channels using data from Activity 1.1. Further, the analysis will map all the actors involved in Zakat, existing partnerships and identify possible synergies. It will categorize the different actors of Zakat according to their profile and estimate the number and types of payers and beneficiaries. (Activity 1.2)
  
- Organize two meetings: 1. to launch the initiative (greater awareness of the objectives, needs assessment of Government entities, private sector, Islamic financial service providers, civil society, etc.) and share knowledge and experience with other countries that successfully use Zakat as a tool for SDGs; 2. to present finding to the Government and other stakeholders at the end in order to enhance the dissemination of the results and enhance public understanding. (Activity 1.3).

The databases and reports on the Zakat ecosystem are key inputs for the different activities of the project. It will allow the assessment of the legal framework targeted by activities related to the pathway 2 and bring more clarity on the identification of targets and stakeholders to whom to direct awareness, communication and advocacy actions for activities under pathway 3.

Pathway N ° 2: For activities contributing to the strengthening of the legal framework for the institutionalization of Zakat.

Based on the mapping of the Islamic financial sector and Zakat and the existing legal frameworks in Mauritania resulting from the data collection and analyses, this step will provide recommendations and strategies on how to strengthen the legal framework. The analysis will be done by experts in Business Law and Islamic Law (Sharia), supported by UN experts.

- An analysis to identify the gaps and impediments in current legislative, regulatory, and institutional frameworks for Zakat and Islamic Finance. The analysis will take stock of the Islamic financial sector (formal and informal) and analyze information from a legal point of view, based on the outputs of Activity 1.1, and therefore review the existing legal framework. The research will identify the opportunities and challenges relating to the institutionalization of Zakat and identify and analyze the potential bottlenecks

for further collection and redistribution of Zakat revenues. Recommendations for the setup of an innovative online platform for collecting and redistributing Zakat revenue will also be provided. (Activity 2.1).

- As requested by the Government, the project will also help the authorities set up a Zakat management institution by supporting the drafting of its structure, functions, regulations and the development of a Zakat collection and distribution strategy and roles and responsibilities of the central and local governments. The activities here will also cover the development of legislative instruments on Zakat and, if necessary, revision of existing legislation frameworks and integration of Zakat in the public finance law. (Activity 2.2).
- Trainings/capacity development to improve governmental, regulatory, and private sector capacity on Zakat and Islamic finance as requested by the Government, based on needs identified in activity 1.3 and the findings of Activity 2.1. (Activity 2.3).

These activities are essential for the institutionalization of Zakat in the country. It will also give legitimacy to all other actions aimed at harnessing Zakat for SDGs, including awareness raising and advocacy activities (Activity 3.3).

Pathway N ° 3: Again, the project will help enhance public understanding and raise public awareness of the need to adhere to the formalization of Zakat and build public confidence.

In order to institutionalize Zakat in the country, and in addition to the mapping exercise and development of the legal framework, advocacy and awareness actions for all stakeholders (administration, populations, religious organizations, private sector, development partners, civil society etc.) are required.

The communication and awareness-raising component is essential to direct Zakat's revenues to SDGs. Indeed, to create a formal framework regulating Zakat, populations, including donors and beneficiaries, will have to accept to change their way of giving and receiving Zakat and misconception needs to be avoided. The activities will help increase people's understanding of charity as being a religious obligation, but also with a strong social and economic dimension. Donors will be asked to distribute Zakat through new channels and recipients will be asked to receive it in other ways.

Advocacy and awareness raising on the formalization of the Zakat will also allow to communicate more broadly on the SDGs and on the role of each citizen in their implementation. It will support and complete the previous communication activities on the SDG conducted by the government with the UN support (My World survey, 2019 SDG Campaign...) as it will reach all segments of the population. Furthermore, it will facilitate the government's efforts in the SDG implementation at local level (SDG localization) as local actors will better understand the link between the financing mechanisms and utilization of the funds to finance the SDG through local initiatives.

To do this, a team of consultants specialized in the field of communication will be recruited and will work with the committee and UN experts to:

- Develop a communication strategy and an action plan on the institutionalization of Zakat in Mauritania 2020-2021 based on information provided in Activities 1.1 and Activity 1.2. They will design country specific methods and strategies (Activity 3.1)

- Implementing the communication action plan in Activity 3.1 by designing materials for effective communication (social networks, media, radio public service messages, brochures) tailoring the messages to the audience and setting up coordination mechanism (Activity 3.2)
- Implementing the communication action plan in Activity 3.1: Conducting awareness and advocacy campaigns in collaboration with relevant the administration bodies (central, regional and sub-regional), civil society, women's organizations, youth associations and the general public through forums and intensive workshops; Continuous advocacy with religious leaders and organizations will also be conducted (Activity 3.3).

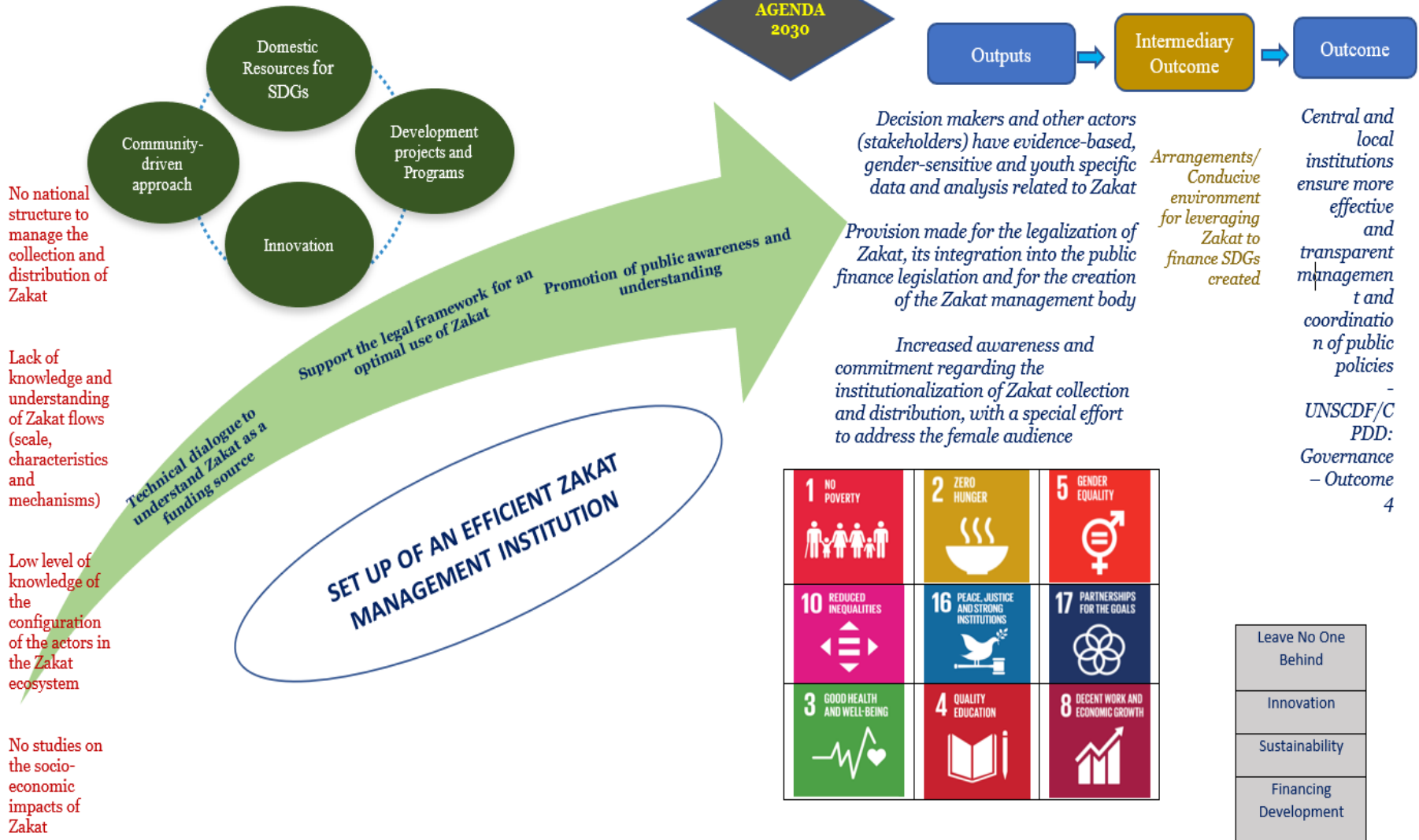
Interventions relate to these 3 pathways are mutually reinforcing to reach the objective of the project. This requires very close collaboration to ensure overall consistency between activities.

The activities will generate 3 outputs: Decision makers and other actors (stakeholders) have evidence-based, gender-sensitive data and analysis related to Zakat (Output 1); Provision made for the legalization of Zakat, its integration into the public finance legislation and for the creation of the Zakat management body (Output 2); Increased awareness and commitment regarding the institutionalization of Zakat collection and distribution, with a special effort to address the female audience (Output 3). These outputs will help set the conditions for the institutionalization of the management of Zakat and benefit from it in financing SDGs. Such intermediate result will contribute to the achievement of a key result of the governance lever of the CPDD / UNSCDF (Governance Axis - Outcome 4): Central and local institutions ensure more effective and transparent management and coordination of public policies.

The theory of change is based on hypotheses that need to be monitored: the involvement of local communities, in particular in awareness-raising activities for behavioral changes required by the introduction of Zakat as an innovative tool for financing SDGs; the continued commitment of the government and the availability of additional resources for the implementation of actions and programs complementary to the activities of this project; continued collaboration of all United Nations agencies and stakeholders in the implementation of the program.

This initiative will fundamentally change the way resources are used and prioritized as contributors, through the envisioned IT Platform, will have more say on beneficiary targeting and/or geographic allocation for the funds or goods directly disbursed to beneficiaries. For resources allocated to projects, they will be selected based on SDG relevance, Government priorities, contributors' preferences, OSCs and Private sector input. As for in-kind contributions, a marketplace exchange platform will be put in place to efficiently manage the handling of these contributions and optimize their allocation. Those innovations will largely contribute to the modernization of the public resources management in Mauritania and to the digitalization of administrative processes increasing traceability, accountability, transparency and efficiency of service delivery.

**A. Rationale/Theory of Change:**





## 2.3 Expected results by outcome and outputs

At the end of this process, the major constraints hindering the formalization of Zakat as a tool for financing development will be managed. This should ultimately have an effective effect on the collection and optimized distribution of Zakat flows.

Stakeholders must have in-depth knowledge of the characteristics of Zakat in Mauritania and the conditions for the institutionalization of Zakat must be met with all the actors ready to play their role. Institutionalization will help mobilize Zakat, optimize its distribution and contribute to the implementation of the SDGs in Mauritania. Ultimately, institutionalization will generate significant financial gains in terms of quantity and quality to make Zakat an accelerator for achieving the SDGs and thus improve the well-being of the population, especially the most vulnerable individuals and women.

As explained by the theory of change, the project aims at the following outputs and outcomes:

**Outcome:** Central and local institutions ensure more effective and transparent management and coordination of public policies (Outcome 4 of the Governance lever of the CPDD / UNSDCF).

Intermediate: Arrangements for leveraging Zakat to finance the SDGs taken

- **Output 1:** Decision makers and other actors (stakeholders) have evidence-based, gender-sensitive and youth specific data and analysis related to Zakat
- **Output 2:** Provision made for the legalization of Zakat, its integration into the public finance legislation and for the creation of the Zakat management body
- **Output 3:** Increased awareness and commitment regarding the institutionalization of Zakat collection and distribution, with a special effort to address the female audience

**The project aims to contribute to the dialogue on cross-border and regional issues related to the SDGs.** The implementation of the project will feed cross-border dialogue on the potential of Zakat and Islamic finance throughout the Sahel, a region in which countries face the same challenge of insufficient resources to finance development and which ranks among the most vulnerable to climate change in the world. The institutionalization of Zakat and optimization of resources should ultimately make it possible to strengthen the resilience of communities to climate change. As a reminder, Mauritania experiences episodes of drought, irregular rain and more recurrent floods that affect agro-pastoral communities, especially in the southern, central and eastern regions of the country.

With huge humanitarian challenges and the influx of refugees in M'Berr camp, one of the poorest regions of the country, a consequence of security threats in the Sahel zone, the institutionalization and then the optimization of Zakat flows could provide additional resources for communities and be a means of building peace. It is important to establish links at the regional level in everything directly or indirectly related to humanitarian and economic interventions.

The project will draw from similar initiatives implemented in the MENA region (Middle East and North Africa) and in Africa by highlighting the best practices and lessons learned in these countries.

Women's employment, empowerment and participation in politics and economy as well as their financial inclusion are crucial challenges in Mauritania. Mauritania is among the last ten countries (152nd out of 162 countries) in the gender inequality index for 2014. Ultimately, the distribution mechanisms of Zakat will try to correct this situation and the project is already focusing on women in the organization of the activities of this preparatory phase.

## **2.4 Budget and value for money**

The total amount of implementation of the joint project is estimated at 771 268 USD, of which 92% (716 900 USD) is sought through the JOINT SDG FUND. The expenses are listed in the Annex. The agencies will also contribute to the project implementation by covering 7% of the budget. 30 % of the budget will be linked to activities aimed at promoting gender and involving women and youth.

Zakat aligns strongly with numerous SDGs, including no poverty (SDG 1), zero hunger (SDG 2), reduced inequalities (SDG 10) and others. Collaborating with Zakat donors and administrators reflects the spirit of partnership for the goals (SDG 17). As for its value for money, Zakat is much more than mobilizing finance, Zakat can also help in achieving the SDGs by creating financial inclusion, which is considered as an enabler of other developmental goals. On top of aiding the achievement of the SDGs, this is a great business opportunity for Islamic banks to serve this un-banked population.

## **2.5 Partnerships and stakeholder engagement**

The Ministry of Finance (MF), the Ministry of Islamic Affairs and Traditional Education (MAIET), the Ministry of Economy and Industry (MEI) and the Central Bank of Mauritania (BCM) will play an essential role in the design and implementation of this project.

The United Nations team, at the request of the Government, supported the Ministry of Finance to federate the other Ministerial Departments (Ministry of Economy and Industry, Ministry of Justice, Ministry of Islamic Affairs and Traditional Education, Central Bank) and development partners to initiate the process of institutionalizing Zakat, notably through the creation and operationalization of the Steering Committee and the development of a joint concept note defining the main lines of the Program and on which this document is built.

Develop thinking on the issue of Zakat was initiated by the Ministry of Finance and the United Nations with the aim of supporting the Mauritanian Government.

The initiative was the subject of higher national appropriation which resulted in the establishment of this Steering Committee responsible for the new Program.

Several consultation meetings between the United Nations and the MF were held for the planning of the next stages of the process and the first meeting of the Steering Committee, organized in January 2020, made it possible to officially launch the Program.

The Office of the Resident Coordinator will ensure the involvement of the whole system in the process and will coordinate the activities of the project within the United Nations and will provide substantial contributions to mapping and analytical work.

Drawing from their experiences in other countries, the United Nations Agencies will jointly provide their expertise for conducting the mapping and sizing of the Zakat "sector", collecting and analyzing data, taking into account of Zakat in the sphere of public finance in Mauritania, the establishment of a legal framework and advocacy with all stakeholders for the institutionalization of Zakat in Mauritania.

In accordance with the "delivering as one" approach, the guiding principle of the reform in favor of the coherence of development activities, this project is based on all of the expertise available within the United Nations system to strengthen dialogue on the institutionalization of Zakat and its potential spinoffs in the various socio-economic sectors and to achieve all of the expected results.

In Mauritania, the United Nations country team has several experiences of collaborating and implementing integrated programs in support of local community development and the definition of national policies. For example, the three convergence zones (Hodh Charghi Wilaya zone, Guidimakha Wilaya zone and Nouakchott Peri-urban zone) demonstrate the

dynamics of pooling resources and coordinating the intervention strategies of the agencies of the United Nations and development partners. WFP, the ILO and UNICEF have an ongoing joint program on social protection in which this initiative could eventually be included since Zakat is also perceived as a tool for social protection. Other agencies have expressed their interest in helping to develop the potential of Zakat.

In addition, the existing concertation mechanisms between development partners, the private sector, civil society and the Government will also serve to increase the commitment in favor of the institutionalization of Zakat.

FAO will ensure that private and public operators in the agricultural and rural sector participate in the dialogue platforms, especially those operating in the sub-sectors where products are mostly used for Zakat, cereals for example. FAO will act both as a facilitator (responsible for building a relationship of trust between the different parties and for structuring the dialogue) and a solution provider (helping stakeholders to identify alternative strategies to direct the monetary flows of the Zakat towards the agricultural sector). As a provider of solutions, FAO will promote sustainable economic, social, environmental and entrepreneurial practices, contributing to the achievement of SDGs and to FAO's strategic objective of supporting more efficient, innovative and inclusive agri-food systems.

The initiative is complementary to existing programs on women's empowerment, particularly those of Tekavoul, INAYA and Sahel Women's Empowerment and Demographic Dividend (SWEDD), implemented with financial and technical supports from the World Bank and UNFPA. UNFPA will also help ensure an efficient articulation of all ongoing projects.

The UN agencies will also mobilize their regional networks to capitalize on similar experiences carried out in other countries.

### **3. Programme implementation**

#### **3.1 Governance and implementation arrangements**

The implementation of the project will be directed by the Government. In fact, as mentioned above, a Steering Committee (SC) has been set up under the leadership of the Ministry of Finance to serve as a program management and decision-making body.

The Committee is chaired by the Minister of Finance and is made up of Ministerial Departments involved in the issue of Islamic finance, to have: the Ministry of Finance, the Ministry of Economy and Industry, the Ministry of Justice, The Ministry of Islamic Affairs and Original Education. These state structures will be involved in the design and implementation of the Project. The United Nations system will also participate in meetings of the Committee.

At the United Nations level, the Office of the Resident Coordinator and the United Nations Agencies will be responsible for regular monitoring and will be heavily involved in the implementation of Project activities. The Office of the Resident Coordinator and UNDP will ensure overall coordination and ensure the involvement of all United Nations agencies. The Office of the Resident Coordinator will set up a consultation mechanism within the United Nations and intends to use this project to further inject the spirit of United Nations reform into joint work in Mauritania. A series of consultations has already taken place to this effect, bringing together most of the agencies present in Mauritania and some non-resident agencies.

In addition, UNDP, FAO and UNFPA will be actively involved in the implementation, depending on the nature of their mandate, the expertise available and their added value in efforts to achieve the SDGs.

The Steering Committee meets by statute at the start of each quarter. It can meet at any other time at the request of the Ministry of Finance or one of its members to examine and decide on specific questions.

The function of the Steering Committee is to:

- Revise and approve concept notes, work plans and activity programs, budgets linked to the implementation of the Program;
- Evaluate the progress of the Program at defined intervals;
- Conduct annual reviews of the Program;
- Examine possible execution problems and decide on the necessary adjustments;
- Approve substantive and budgetary revisions;

The committee is also responsible for ensuring:

- the coherence of all the interventions carried out within the framework of the institutionalization of Zakat;
- the continued adequacy of the interventions with the agreed action plans;
- synergy of the various interventions for better impact and enhanced coordination, and
- reinforced communication on current activities and expected results.

Within the framework of the committee, the joint monitoring and evaluation mechanism will make it possible to ensure consistency in the approach of the stakeholders, better understanding of the actions undertaken and consistency in the design and implementation of project activities.

Research centers, universities and technical partners will greatly contribute to the conduct of analytical work on Zakat. Local actors, moral and religious authorities, religious organizations, women's groups and youth associations etc. will be involved and will play an important role in taking into account certain cultural and religious aspects and social norms by the project, especially during awareness campaigns and dialogues.

### **3.2 Monitoring, reporting, and evaluation**

Reporting on the Joint SDG Fund will be results-oriented, and evidence based. Each PUNO will provide the Convening/Lead Agent with the following narrative reports prepared in accordance with instructions and templates developed by the Joint SDG Fund Secretariat:

- *Annual narrative progress reports*, to be provided no later than one (1) month (31 January) after the end of the calendar year, and must include the result matrix, updated risk log, and anticipated expenditures and results for the next 12-month funding period;
- *Mid-term progress review report* to be submitted halfway through the implementation of Joint Programme<sup>1</sup>; and
- *Final consolidated narrative report*, after the completion of the joint programme, to be provided no later than two (2) months after the operational closure of the activities of the joint programme.

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<sup>1</sup> This will be the basis for release of funding for the second year of implementation.

The Convening/Lead Agent will compile the narrative reports of PUNOs and submit a consolidated report to the Joint SDG Fund Secretariat, through the Resident Coordinator.

The Resident Coordinator will be required to monitor the implementation of the joint programme, with the involvement of Joint SDG Fund Secretariat to which it must submit data and information when requested. As a minimum, joint programmes will prepare, and submit to the Joint SDG Fund Secretariat, 6-month monitoring updates. Additional insights (such as policy papers, value for money analysis, case studies, infographics, blogs) might need to be provided, per request of the Joint SDG Fund Secretariat. Joint programme will allocate resources for monitoring and evaluation in the budget.

Data for all indicators of the results framework will be shared with the Fund Secretariat on a regular basis, in order to allow the Fund Secretariat to aggregate results at the global level and integrate findings into reporting on progress of the Joint SDG Fund.

PUNOs will be required to include information on complementary funding received from other sources (both UN cost sharing, and external sources of funding) for the activities supported by the Fund, including in kind contributions and/or South-South Cooperation initiatives, in the reporting done throughout the year.

PUNOs at Headquarters level shall provide the Administrative Agent with the following statements and reports prepared in accordance with its accounting and reporting procedures, consolidate the financial reports, as follows:

- Annual financial reports as of 31st December each year with respect to the funds disbursed to it from the Joint SDG Fund Account, to be provided no later than four months after the end of the applicable reporting period; and
- A final financial report, after the completion of the activities financed by the Joint SDG Fund and including the final year of the activities, to be provided no later than 30 April of the year following the operational closing of the project activities.

In addition, regular updates on financial delivery might need to be provided, per request of the Fund Secretariat.

After completion of a joint programme, a final, *independent and gender-responsive<sup>2</sup> evaluation* will be organized by the Resident Coordinator. The cost needs to be budgeted, and in case there are no remaining funds at the end of the joint programme, it will be the responsibility of PUNOs to pay for the final, independent evaluation from their own resources.

The joint programme will be subjected to a joint final independent evaluation. It will be managed jointly by PUNOs as per established process for independent evaluations, including the use of a joint evaluation steering group and dedicated evaluation managers not involved in the implementation of the joint programme. The evaluations will follow the United Nations Evaluation Group's (UNEG) Norms and Standards for Evaluation in the UN System, using the guidance on [Joint Evaluation and relevant UNDG guidance on evaluations](#). The management and implementation of the joint evaluation will have due regard to the evaluation policies of PUNOs to ensure the requirements of those policies are met and the evaluation is conducted with use of appropriate guidance from PUNOs on joint evaluation. The evaluation process will be participative and will involve all relevant programme's stakeholders and partners.

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<sup>2</sup> [How to manage a gender responsive evaluation, Evaluation handbook](#), UN Women, 2015

Evaluation results will be disseminated amongst government, development partners, civil society, and other stakeholders. A joint management response will be produced upon completion of the evaluation process and made publicly available on the evaluation platforms or similar of PUNOs.

### **3.3 Accountability, financial management, and public disclosure**

The Joint Programme will be using a pass-through fund management modality where UNDP Multi-Partner Trust Fund Office will act as the Administrative Agent (AA) under which the funds will be channeled for the Joint Programme through the AA. Each Participating UN Organization receiving funds through the pass-through has signed a standard Memorandum of Understanding with the AA.

Each Participating UN Organization (PUNO) shall assume full programmatic and financial accountability for the funds disbursed to it by the Administrative Agent of the Joint SDG Fund (Multi-Partner Trust Fund Office). Such funds will be administered by each UN Agency, Fund, and Programme in accordance with its own regulations, rules, directives and procedures. Each PUNO shall establish a separate ledger account for the receipt and administration of the funds disbursed to it by the Administrative Agent.

Indirect costs of the Participating Organizations recovered through programme support costs will be 7%. All other costs incurred by each PUNO in carrying out the activities for which it is responsible under the Fund will be recovered as direct costs.

Funding by the Joint SDG Fund will be provided on annual basis, upon successful performance of the joint programme.

Procedures on financial transfers, extensions, financial and operational closure, and related administrative issues are stipulated in the Operational Guidance of the Joint SDG Fund.

PUNOs and partners must comply with Joint SDG Fund brand guidelines, which includes information on donor visibility requirements.

Each PUNO will take appropriate measures to publicize the Joint SDG Fund and give due credit to the other PUNOs. All related publicity material, official notices, reports and publications, provided to the press or Fund beneficiaries, will acknowledge the role of the host Government, donors, PUNOs, the Administrative Agent, and any other relevant entities. In particular, the Administrative Agent will include and ensure due recognition of the role of each Participating Organization and partners in all external communications related to the Joint SDG Fund.

### **3.4 Legal context**

#### **Basic cooperation agreement between the United Nations system and the Government of Mauritania**

- Title of the agreement: 2018-2022 Sustainable Development Partnership Framework
- Date of agreement : 2018

The 2018-2022 Sustainable Development Partnership Framework (CPDD), concluded between the government of the Islamic Republic of Mauritania and the United Nations system (UN),

provides a strategic and legal framework of reference for United Nations interventions in the country for the reporting period. It is envisioning achieving results in the areas of i) inclusive and sustainable economic growth ii) human capital and basic social services, and iii) governance.

The objective of the CPDD is to contribute to the achievement of the national priorities defined by the SCAPP and its priority action plan for the period 2016-2020, to those of sectoral strategies as well as that of the United Nations strategy for the Sahel. The cooperation framework also aims to provide a response to the humanitarian and development challenges facing Mauritania, while taking into account the respective comparative advantages of the various UNDS agencies.

Each participating United Nations organization also has a partnership agreement with the Government of Mauritania:

#### **Basic cooperation agreement between UNDP and the Government of Mauritania**

- Title of the agreement: **Country program document for Mauritania (2018-2022)**
- Date of agreement: 2018

#### Description of the agreement

The objectives of the country program for Mauritania are to support the long-term development strategy (SCAPP 2016-2030), to promote an inclusive economy and society (in particular by pursuing shared and sustainable economic growth) and to break cycles of inequality and poverty, especially in rural areas. The UNDP program is structured around three areas of intervention: i) achieving strong, inclusive and sustainable growth integrated into the design and implementation of public policies by the national institutions responsible for economic planning; ii) improving governance, strengthening institutional capacities and combating radicalization and the security threat; and iii) promoting sustainable management of natural resources and resilience to disasters and climate change

#### **Basic cooperation agreement between FAO and the Government of Mauritania**

- Title of the agreement: Country Programming Framework for Mauritania (CPP)
- Date of agreement : 2017

This Country Programming Framework (CPP) for the period 2017-2021 concerns three main national priorities defined and identified in a participatory and inclusive manner in close collaboration with various Ministries and actors concerned with the areas of rural development, fisheries, environment and food security.

The formulation of the CPP was launched by the letter n ° 0595 MEF/M on April 04, 2017 from the Minister of Economy and Finance notifying the FAO of its agreement for the launch of the process of preparation of the FAO CPP 2017-2021 and the creation of the CPP preparation committee. The committee is chaired by the Directorate of Development Policies and Strategies and brings together the Directors of cooperation/programming from the following sectoral ministries: Ministry of Agriculture, Ministry of Fisheries and Maritime Economy, Ministry of Health; Ministry of Livestock, Ministry of the Environment and Sustainable Development (MEDD) and FAO.

The Government and FAO have agreed to work jointly on three priority areas. These areas were chosen because of their integrated and intersectoral approach and their consistency with the pillars of the SCAPP and with the axes of the sectoral strategies for agriculture, livestock, fisheries, environment and food security. Sustainability and the gender approach are incorporated transversely in the three priority areas, to highlight the commitments made by the government of Mauritania to the Paris Agreement and the 17 Sustainable Development Goals. The three priority areas are:

Government priority 1: Agricultural, livestock and fishing productions, creating jobs and added value, inclusive and sustainable;

Government priority 2: The institutional environment conducive to achieving food security and ensuring nutrition;

Government Priority 3: Sustainable management of natural resources in the face of climate change for a sustainable and resilient economy.

### **Basic cooperation agreement between UNFPA and the Government of Mauritania**

- Title of the agreement: Country program document for Mauritania (2018-2022)
- Date of agreement : 2018

This country program for Mauritania (2018-2022) is the 8th since the signing of the basic agreement concluded between the Government of Mauritania and the United Nations Population Fund in 1996.

Developed jointly with government, civil society, United Nations organizations, beneficiaries (women and youth) as well as bilateral cooperation organizations, this program contributes to the achievement of SDGs, in particular those related to health and gender equality. The program supports national priorities, in line with the SCAPP. It contributes to strengthening national capacities to coordinate and monitor socioeconomic policies to take advantage of the demographic dividend.

It also aims to accelerate the reduction of maternal mortality by increasing the prevalence of modern contraceptives, combating gender-based violence, and facilitating the production and use of data to support evidence-based planning. The focus on youth will help realize the demographic dividend. Direct beneficiaries are the most vulnerable, in particular women and youth from rural and peri-urban areas. In addition, preparedness and humanitarian interventions are considered in order to contribute to strengthening the resilience of communities. This program is mainly structured around 3 axes: (i) Sexual and reproductive health, (ii) Gender equality and women's empowerment and (iii) Population and development.



## D. ANNEXES OF THE JOINT PROGRAMME TEMPLATE

### Annex 1. List of related initiatives

Name of initiative/project	Key expected results	Links to the joint programme	Lead organization	Other partners	Budget and funding source	Contract person (name and email)
AgrInvest (Global Initiative)	<p>Agricultural Value Chains multi-stakeholder frameworks established to promote public-private policy dialogue</p> <p>Financing Model SDG Framework to guide investors to contribute to the achievement of SDGs</p> <p>Investment Profiles for selected value chains with potential impact on targeted SDGs</p>	Baseline setting, data collection and institutionalization of Zakat	FAO	<p>FMO (in Kenya and Ethiopia)</p> <p>ECDPM (Global level)</p>	Subject to an agreement with the country	<p>Massimo Pera</p> <p>Project Coordinator</p> <p>massimo.pera@fao.org</p>
Support food security and nutrition of the agro-pastoral populations affected by the pastoral crisis in South-east of Mauritania,	The livelihoods of 1 500 most vulnerable households are protected while the sustainable management of pasture is promoted	institutionalization of Zakat and the development of strategies capable of maximizing the potential of Zakat and encouraging more efficient, innovative, inclusive and responsible investments,	FAO	MDR, ONG	450 000	Oumar.Kane@fao.org

		targeting in particular young people and women - the unemployed, producers and agri-entrepreneurs				
Support the government in accelerating the implementation of the SDG2 targets.	Capacity building of 30 staff from key ministries involved in SDG2 reporting	The acceleration of implementation of SDG2 targets will create the favorable conditions for an institutionalization and an optimization of the collection and distribution of Zakat.	FAO	MEI, MDR, MPEM, CSA, UN agencies	60.000 USD	Salikou.Aghoub@fao.org
Support to Responsible Investment in Agriculture and Food Systems	<p>1. A strategic planning and prioritization tool to support member states identify key challenges and recommendations to empower youth to engage in responsible agricultural investment is developed and applied in Tunisia</p> <p>2. RAI eLearning Programme "Creating an enabling environment for responsible agricultural investments" for policy makers deployed in Senegal River Basin countries</p>	<p>1. The developed methodology can be adapted to the Mauritanian context with a focus on the identification of investment opportunities and beneficiaries once the zakat is institutionalized.</p> <p>2. Policy makers are key actors of the Zakat initiative, and their capacities to identify and promote responsible agricultural investment can be strengthened through a specific learning programme.</p>	FAO	Haute école des sciences agronomiques, forestières et alimentaires (HAFL), Institut national de la recherche agronomique de Tunisie (INRAT)	Switzerland, France	<p>Michael Riggs</p> <p><a href="mailto:michael.riggs@fao.org">michael.riggs@fao.org</a></p>
Supporting the implementation of the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests	An improved Agribusiness Investment Approval Process (AIAP) in Sierra Leone, more in line with the VGGT and CFS-RAI.	These previous results can support the establishment of an effective and transparent approval process to identify and promote responsible agricultural investments	FAO		Germany, UK	<p>Francesca Romano</p> <p><a href="mailto:Francesca.romano@fao.org">Francesca.romano@fao.org</a></p>

Enhancing the enabling environment for responsible investment in agriculture and food systems		beneficiaries once the zakat is institutionalized.				Michael Riggs michael.riggs@fao.org
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## Annex 2. Results Framework

### 2.1. Targets for Joint SDG Fund Results Framework

**Joint SDG Fund Outcome 2:** Additional financing leveraged to accelerate SDG achievement

Indicators	Targets	
	2020	2021/2022
2.1: Ratio of financing for integrated multi-sectoral solutions leveraged in terms of scope <sup>3</sup>	To be compiled	
2.2: Ratio of financing for integrated multi-sectoral solutions leveraged in terms of scale <sup>4</sup>	To be compiled	

**Joint SDG Fund Output 4:** Integrated financing strategies for accelerating SDG progress implemented

Indicators	Targets	
	2020	2021/2022
4.1: #of integrated financing strategies that were tested (disaggregated by % successful / unsuccessful)	0	1
4.2: #of integrated financing strategies that have been implemented with partners in lead <sup>5</sup>	0	1
4.3: # of functioning partnership frameworks for integrated financing strategies to accelerate progress on SDGs made operational		

### Joint SDG Fund Operational Performance Indicators

- Level of coherence of UN in implementing programme country<sup>6</sup>
- Reduced transaction costs for the participating UN agencies in interaction with national/regional and local authorities and/or public entities compared to other joint programmes in the country in question
- Annual % of financial delivery

<sup>3</sup>Additional resources mobilized for other/ additional sector/s or through new sources/means

<sup>4</sup>Additional resources mobilized for the same multi-sectoral solution.

<sup>5</sup> This will be disaggregated by (1) government/public partners (2) civil society partners and (3) private sector partners

<sup>6</sup> Annual survey will provide qualitative information towards this indicator.

- Joint programme operationally closed within original end date
- Joint programme financially closed 18 months after their operational closure
- Joint programme facilitated engagement with diverse stakeholders (e.g. parliamentarians, civil society, IFIs, bilateral/multilateral actor, private sector)
- Joint programme included addressing inequalities (QCPR) and the principle of “Leaving No One Behind”
- Joint programme featured gender results at the outcome level
- Joint programme undertook or draw upon relevant human rights analysis, and have developed or implemented a strategy to address human rights issues
- Joint programme planned for and can demonstrate positive results/effects for youth
- Joint programme considered the needs of persons with disabilities
- Joint programme made use of risk analysis in programme planning
- Joint programme conducted do-no-harm / due diligence and were designed to take into consideration opportunities in the areas of the environment and climate change

## **2.2. Joint programme Results framework**

<b>Result / Indicators</b>	<b>Baseline</b>	<b>2020 Target</b>	<b>2021/2022 Target</b>	<b>Means of Verification</b>	<b>Responsible partner</b>
(UNDAF/CPDD Strategic priority 3 – Governance – Outcome 4): Central and local institutions ensure more effective and transparent management and coordination of public policies / Intermediate output: Arrangements for leveraging Zakat to finance the SDGs taken					
Outcome 1 indicator % of central and local institutions satisfied with the quality of data and the analyses on Zakat	NA	-	80	Post-conference evaluation report / Launch ceremony for the report. Feedbacks from representatives	UNDP
Number of Wilayas Mougahataa (regions/departments) engaged in the institutionalization of Zakat	0	10	40	Report	UNDP, UNFPA

1.1 Decision makers and other actors (stakeholders) have evidence-based, gender-sensitive and youth specific data and analysis related to Zakat					
Output 1.1 indicator:  A complete set of gender-sensitive data on the Zakat flows, perception indicators and mapping of actors available and accessible to decision-makers and the general public	0	Incomplete	Complete	Report of the Survey	UNDP
Output 1.1 Indicator :  The Zakat module integrated into the 2020 National Household Survey; with gender sensitive data	No	Yes	Yes	Validated questionnaire of the 2020 National Household Survey and official report of the National Institute of Statistics	National Institute for Statistics UNFPA
Output 1.1 Indicator : 75% response rate, participant satisfied with data and analyses on Zakat and its socio-economic impacts, including the private sector, civil society organizations and partners, Women's organization	0	75%	75%	Mini-questionnaire and Post-meeting evaluation report. Analytical documents will be posted online	UNDP
Output 1.2 Provision made for the legalization of Zakat, its integration into the public finance legislation and for the creation of the Zakat management body					
Output 1.2 Indicator :	0	0	Yes	Official document	UNDP

Zakat management strategy developed, and structures, rules and regulations of the Zakat management body adopted					
Output 1.2 Indicator Existence of a legal framework for Zakat	Incomplete	Incomplete	Complete	Official document	
Output 1. 3 Increased awareness and commitment regarding the institutionalization of Zakat collection and distribution, with a special effort to address the female audience					
Output 1.3. Indicator Zakat communication strategy developed and validated	No	Yes	Yes	Project report	UNDP
Output 1.3. Indicator : Number of wilaya having benefited from an awareness campaign on Zakat	0	8	15	Project report	UNFPA
Output 1.3. Indicator : Number of Dialogues conducted on the coherence between the principles of Islamic finance and the SDGs and the role of Zakat for SDGs, Women participation rate (at least 30%)	0	4	8	Project report	FAO

### [Annex 3. Gender marker matrix](#)

Indicator		Score	Findings and Explanation	Evidence or Means of Verification
N°	Formulation			
1.1	Context analysis integrates gender analysis	2	Gender analysis in all sectors, including the underlying causes of gender inequality and discrimination according to SDGs, including SDG 5. The gender dimension is considered in this project as the women's access to financial resources is a catalyst for development. Data on Zakat and related socio-economic data are disaggregated by sex and the analyses are gender sensitive. The project considers SDG 5 - Achieve gender equality and empower all women and girls. Target 5.1 - End all forms of discrimination against women and girls	Survey data UNSDCF-CPDD 2018-2022
1.2	Gender Equality mainstreamed in proposed outputs	2	Output 1: Decision makers and other actors have evidence, gender-sensitive, evidence-based analysis related to Zakat, explicitly mentions gender while other outputs will see high participation of women in activities, especially in relation to the socio-cultural aspects linked to Zakat. Most of the outputs refer directly or indirectly to gender.	Project Document Report of the steering committee
1.3	Programme output indicators measure changes on gender equality	2	Some outputs integrate gender into measurement indicators. Output 1.1 related to Statistics and data. In addition, the indicators will provide information on the level of women's participation in activities, in a second level of measurement.	Project Document Report of the steering committee
2.1	PUNO collaborate and engage with Government on gender equality and the empowerment of women	2	Develop thinking to see how Zakat could achieve women's empowerment. In addition, the program contributes to strengthening the participation and commitment of the Government in the localization of SDGs related to gender, in particular with awareness-raising at the Wilaya levels (regional level).	UNSDCF-CPDD 2018-2022

2.2	PUNO collaborate and engages with women's/gender equality CSOs	2	Women Organizations and Civil society organizations whose activities focus on gender equality will participate in the implementation of this initiative, in particular during awareness campaigns on Zakat and the dissemination of the results of the mapping and analyzes.	Report of meetings and campaigns
3.1	Program proposes a gender-responsive budget	2	At least 30% of the total budget is allocated to gender equality or women empowerment.	Report of the committee
<b>Total scoring</b>		<b>2</b>		

#### [Annex 4. Budget and Work Plan](#)

##### [4.1 Budget per UNSDG categories](#)



UNDG BUDGET CATEGORIES	UNDP		UNFPA		FAO				TOTAL	
	Joint SDG Fund (USD)	PUNO Contribution (USD)	Joint SDG Fund (USD)	PUNO Contribution (USD)	Joint SDG Fund (USD)	PUNO Contribution (USD)			Joint SDG Fund (USD)	PUNO Contribution (USD)
1. Staff and other personnel	70 367	20 000	20 653	4 368	39 472	30 000			130 492	54 368
2. Supplies, Commodities, Materials	30 000		21 206		40 000			91 206		
3. Equipment, Vehicles, and Furniture (including Depreciation)	12 740		3 739		7 146			23 625		
4. Contractual services	171 894		50 000		-			221 894		
5. Travel	40 000		10 000		-			50 000		
6. Transfers and Grants to Counterparts	30 000		-		94 967			124 967		
7. General Operating and other Direct Costs	15 000		4 403		8 414			27 817		
<b>Total Direct Costs</b>	<b>370 000</b>		<b>110 000</b>		<b>190 000</b>			<b>670 000</b>		
8. Indirect Support Costs (Max. 7%)	25 900	7 700	13 300		46 900					
<b>TOTAL Costs</b>	<b>395 900</b>	<b>20 000</b>	<b>117 700</b>	<b>4 368</b>	<b>203 300</b>	<b>30 000</b>			<b>716 900</b>	<b>54 368</b>
<b>1st year</b>	<b>140 750</b>		<b>117 700</b>		<b>100 000</b>				<b>358 450</b>	-
<b>2nd year</b>	<b>255 150</b>	<b>20 000</b>	-	<b>4 368</b>	<b>103 300</b>	<b>30 000</b>			<b>358 450</b>	54 368

#### 4.2 Budget per SDG targets

	Target 17.18 (Data, monitoring and accountability) - By 2030, enhance capacity-building support to developing countries, including for least developed countries and small island developing States, to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national context	26,2%	202 000
	Target 17.3 (Finance) - Mobilize additional financial resources for developing countries from multiple sources.	19,5%	150 450
	Target 5.1 - End all forms of discrimination against women and girls everywhere	30,5%	235 000
	Target 2.1 - By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.	11,5%	88 818
	Target 1.4 - By 2030, ensure that all men and women, especially the poor and vulnerable, have equal rights to economic resources and access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services, including microfinance.	12,3%	95 000
TOTAL		100%	771 268

### **4.3 Work plan**

4.3 Work plan																					
Outcome 1		(UNDAF/CPDD Strategic priority 3 – Governance – Outcome 4): Central and local institutions ensure more effective and transparent management and coordination of public policies / Intermediate output: Arrangements for leveraging Zakat to finance the SDGs taken																			
Output	Annual target/s		List of activities	Time frame								PLANNED BUDGET			PUNO/s involved	Implementing partner/s involved					
	2020	2021/2022		Q 1	Q 2	Q 3	Q 4	Q1	Q2	Q3	Q4	Q1	Q2	Q3			Q4	Overall budget description	Joint SDG Fund (USD)	PUNO Contributions (USD)	Total Cost (USD)
<b>Output 1.1 Decision makers (stakeholders) have evidence-based, gender-sensitive and youth specific data and analysis related to Zakat</b>	Data collection - gender sensitive data, estimates and studies undertaken to fill the knowledge gap on Zakat and its characteristics, socio-economic linkage/impacts	Report with recommendations on the optimal use/distribution of Zakat	1.1. Establish measurements (baselines), including finalizing the national survey and conducting a perception survey to examine national trends in the use of Zakat and map the Zakat financial landscape																		
			1.2. Produce a report on Zakat in Mauritania (publicized and made available on websites). The studies will conduct gap analysis, estimates, Zakat flows, their characteristics and transmission channels																		
			1.3. Organize two meetings: 1. To launch the initiative (greater awareness of the objectives, needs assessment of government entities, private sector, Islamic financial services providers, civil society, etc.) and share knowledge and experience with other countries that successfully use Zakat as a tool for SDGs; 2. To present findings to the Government and other stakeholders at the end (to enhance dissemination of the results and enhance																		
<b>Output 1.2 Provision made for the legalization of Zakat, its integration into the public finance legislation and for the creation of the Zakat management body</b>	Report on the gap analysis; Governmental, regulatory, and private sector capacity strengthened	Strategy, structure and regulations of the Zakat Management Institution developed. Legislative instruments developed	2.1. An analysis to identify the gaps and impediments in current legislative, regulatory, and institutional frameworks for Zakat and Islamic Finance. The analysis will take stock of the Islamic financial sector (formal and informal), based on the outputs of Activity 1.1, and review the existing legal framework																		
			2.2. Development of legislative instruments on Zakat and, if necessary, revision of existing legislation frameworks, and integration of Zakat in the public finance law. Support the drafting of its structure, functions, regulations, Zakat collection and distribution strategy and roles and responsibilities of the central and local governments.																		
			2.3. Trainings/capacity development to improve governmental, regulatory, and private sector capacity on Zakat and Islamic finance, based on needs identified in activity 1.3.																		
<b>Output 1.3 Increased awareness and commitment regarding the institutionalization of Zakat collection and distribution, with a special effort to address the female audience</b>	Improved public awareness and understanding	Zakat accepted as a tool for SDGs	3.1. Develop a communication strategy and an action plan on the institutionalization of Zakat in Mauritania 2020-2021 based on information provided in Activities 1.1 and 1.2 : Design methods and strategies																		
			3.2. Implementing the communication action plan in Activity 3.1: by design materials for effective communication (social networks, media, radio public service messages, brochures) , tailoring the messages to the audience and setting up a coordination mechanism																		
			3.3. Implementing the communication action plan (Activity 3.1): Conducting awareness campaigns in collaboration with relevant the administration bodies (central, regional and sub-regional), civil society, women's organizations, and the general public through forums/ intensive workshops; advocacy with religious leaders and organizations																		

#### 4.4 Project Management Budget (the cost breakdown is presented in Annex 6).

Joint programme management			List of activities	Time frame								PLANNED BUDGET			PUNO/s involved	Implementing partner/s involved
				Q 1	Q 2	Q 3	Q 4	Q1	Q2	Q3	Q4	Overall budget description	Joint SDG Fund (USD)	PUNO Contributions (USD)		
Human Resources (Coordinator, M&E)			Project Coordinator	x	x	x	x	x	x	x	x	Project personnel will be limited to the Project Coordinator and M&E Specialist	130 491	0	130 491	UNDP, FAO, UNFPA
			M&E Specialist / Statistician	x	x	x	x	x	x	x	x					
Equipment and Operating Costs			Equipment	x	x	x	x	x	x	x	x	The project personnel will be using UNDP vehicle and a rental fee will be charged.	51 443	0	51 443	UNDP, FAO, UNFPA
			Operating Costs	x	x	x	x	x	x	x	x					

#### Annex 5. Risk Management Plan

The following matrix summarizes the main risks identified which may have an impact on the progress of the project. These risks can generally be contextual, programmatic, institutional and fiduciary and can affect the efficient implementation of programs. The United Nations system still identified measures to mitigate them as shown in the following table.

Risks	Risk Level:	Likelihood:	Impact:	Mitigating measures	Responsible Org./Person
Contextual risks					
<p>Change in structure and lack of commitment from government bodies</p>	6	2	3	<p>An official commitment from the Government has been obtained. The Government's commitment, which materialized in a United Nations solicitation for the institutionalization of Zakat, must be maintained. The State structures are active from the project development phase. PUNOs will follow up with regular visits to ensure full participation of all stakeholders and regular convening of meetings of the Steering Committee</p>	All PUNOs

COVID-19 shifting Government focus from Zakat initiative	6	4	4	Maintaining a high level dialogue with the Government on Zakat and linking the future Zakat management system to COVID-19 Relief Fund management system and building on their similarities (plurality of sources, monetary and in-kind contributions, direct disbursement to beneficiaries and projects,..). This approach has already proven effective as the Minister of Finance, during a televised interview about COVID-19 Relief Fund in early June 2020 mentioned Zakat as a high potential initiative to alleviate the effects of the pandemic	UNDP
<b>Programmatic risks</b>					
Coordination between PUNOs  Possible difficulties could result from possible misunderstanding and different views between the PUNOs	6	2	3	Regular coordination meetings will be held between PUNOs, under the leadership of the United Nations Coordination Office	All PUNOs

and hinder the "Delivering as one" approach and undermine the progress and the overall coherence of the project.					
Stakeholders do not have a consensus on the data collected and on the methodologies for mapping and on the work of analyzing the flows of Zakat	3	1	3	Build consensus from the beginning of the project. Propose alternative methodologies	All PUNOs
<b>Institutional risks</b>					
Delay or lack of consensus on religious discussions in relation to the legal framework governing Zakat	6	2	3	Involving and raising religious leaders and parliamentarians' awareness	All PUNOs
<b>Fiduciary risks</b>					
Lack of resources to cover related products of Islamic finance in connection with Zakat to carry out activities complementary to the project.	9	3	3	Resource mobilization strategies of the United Nations agencies for this project and for the post-project phase Prioritize the types of Zakat to be analyzed	All PUNOs

## Annex 6 Project Management Budget – Cost breakdown

Ressources humaines	Cout unitaire	Unit Y=year t=time d=days m=month	Nbr /Qty	Nbr /Qty	Total An 1	Total An 2	Grand Total USD	Additional Comments / Assumptions
Coordonnateur SB4	3 135	m	12	12	37 617	37 617	75 234	Voir TDR du poste
Statisticien / M&E SB3	2 211	m	12	12	26 527	26 527	53 054	Voir TDR du poste
Contribution du Achat (P3)	175	m	1	1	175	175	350	Ce montant représente 1% du coût proforma annuel d'un P3 Rôle: Passation de marché pour les équipements d'installation de l'équipe et les achats récurrents (Atelier, consultants...)
Contribution du HR (G7)	35	m	12	12	420	420	840	Ce montant représente 1% pour coût proforma annuel d'un G7 Rôle: Recrutement, gestion des dossiers du personnel, gestion des absences (congé de récupération, annuel, maladie et de maternité), traitement des salaires, gestion des fiches de présence, formalités de prise de fonction des staffs, formalités de séparation et de rapatriement des staffs.
Contribution finance (G7)	35	m	12	12	420	420	840	Ce montant représente 1% du coût proforma annuel d'un G7 Rôle: Vérification et saisie des paiements préparés et transmis par la PMU, établissement des chèques, dépôts à la banque, exécution des virements bancaires; réconciliations bancaires, gestion des paiements directs exécutés par la banque, traitement des dépôts faits par la banque où le staff, interface avec la banque pour la gestion de la contribution. Assurer le bon maintien des archivages et entrées/sorties des dossiers pour les vérifications et audits.
Contribution M&E (NOB)	86	m	1	1	86	86	173	Ce montant représente 2% du coût proforma annuel d'un NOB Rôle: Contrôle d'assurance qualité des données et des rapports ainsi que conseil appui sur la mise en place d'un dispositif de suivi évaluation sur les programmes PBF en Mauritanie
<b>Sous-total HR</b>					<b>64 319</b>	<b>64 319</b>	<b>130 492</b>	
<b>Equipements</b>								
Location véhicule	7 260	t	1	1	7 260	7 260	14 520	Véhicules que le PNUD va mettre à la disposition du personnel du projet pour les déplacements
Achat d'ordinateurs/laptop avec dockstation	2 116	t	3	0	6 348		6 348	Achat de 3 Laptops pour le personnel du projet
Achat de meubles de bureaux (bureau)	419	t	3	0	1 257		1 257	Achat de 3 bureaux pour le personnel du projet
Achat de meubles de bureaux (fauteuil)	200	t	3	0	600		600	Achat de 3 fauteuils pour le personnel du projet
Achat d'équipements de sécurité (VHF radios for staff.)	300	t	3	0	900		900	
<b>Sous-total Equipements</b>					<b>16 365</b>	<b>7 260</b>	<b>23 625</b>	
<b>Frais de fonctionnement</b>								
Carburant et maintenance véhicule	450	m	12	12	5 400	5 400	10 800	
Contributions aux charges locatives du bureau (Loyer pour 3 staff, espace de réunion)	370	m	12	12	4 444	4 444	8 889	Ce montant correspond à la contribution du projet au loyer.
Eau et électricité	48	m	12	12	570	570	1 140	
Entretien (Nettoyage des bureaux)	42	m	12	12	500	500	1 000	
Entretien et réparation Equipements de Bureau (IT, radios Motorola etc.)	50	m	12	12	594	594	1 188	
Consommables Informatiques et fournitures de bureau	50	m	12	12	600	600	1 200	
Communications téléphoniques	100	m	12	12	1 200	1 200	2 400	Chaque staff du projet aura une dotation de 50 \$ par mois pour le crédit de communication
Souscription internet + coût mensuel+ coût de souscription staff	50	m	12	12	600	600	1 200	
<b>Sous-total fonctionnement</b>					<b>13 908</b>	<b>13 908</b>	<b>27 817</b>	
<b>TOTAL PMU Budget</b>					<b>94 593</b>	<b>85 488</b>	<b>181 934</b>	
<b>BUDGET TOTAL DU PROJET (2020-2022)</b>							<b>771 268</b>	
<b>Ratio de Fonctionnement/Budget projet</b>							<b>24%</b>	



