

A. COVER PAGE

1. Fund Name: Joint SDG Fund

2. MPTFO Project Reference Number

3. Joint Programme title

Strengthened national and subnational public financial management (PFM) mechanisms in South Sudan for increased budget allocations to social service sectors

4. Short title

Subnational PFM in South Sudan

5. Country and region: South Sudan, Eastern Africa

6. Resident Coordinator

Alain Noudéhou, Deputy Special Representative of the Secretary General, Resident Coordinator and Humanitarian Coordinator

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9. Short description:

South Sudan's development indicators have greatly deteriorated due to ongoing conflict since the country's independence. Most of the population live in abject poverty, face hunger and the threat of violence, and lack basic public services. Government funding to social sectors has declined. This Joint Programme (JP) will strengthen the capacity of Revenue Authorities to increase tax revenue by 15% in three target states of Central Equatoria, Western Equatoria and Northern Bahr el Ghazal¹ where UNDP has been providing support since 2016. Support will be replicated and scaled to the other seven states after the successful conclusion of this programme. The JP will primarily contribute to the following Sustainable Development Goals (SDGs):

- **SDG 17, Target 17.1:** Strengthen domestic resource mobilization.
- **SDG 16, Target 16.6:** Develop effective, accountable and transparent institutions at all levels.

The action will also contribute to SDG 5 Gender Equality, and SDG 10 Reduced Inequality. The above will be achieved by building the capacity of Public Finance Management (PFM) institutions at both national and state levels, especially the Ministry of Finance and Planning (MoFP). The aim is to ensure that public funds are allocated and spent efficiently and effectively, utilizing a human rights-based approach to sustainable development, to deliver

¹ On 21 February 2020, the Government of South Sudan announced the return to the former 10 states (from 32) plus three administrative areas.

essential services to the most deprived and vulnerable populations including children and women.

At national level, the JP is aligned with the South Sudan National Development Strategy (NDS) 2018–2021 and contributes to the development of the next NDS and the first Integrated National Financial Framework (INFF) for the period 2022–2024; at State level, the JP is aligned with State Development Strategies (SDSs) and Sector Plans, especially those of Central Equatoria, Western Equatoria and Northern Bahr el Ghazal. These plans will be instrumental in guiding budget allocations to essential social sectors contributing to the achievement of SDG 1 No Poverty; SDG 3 Good Health and Well-being; SDG 4 Quality Education; SDG 5 Gender Equality; SDG 6 Clean Water and Sanitation; and SDG 10 Reduced Inequality.

10. Keywords:

- PFM (Public Financial Management)
- SDGs aligned NDS 2022–2024, with the first ever INFF for South Sudan
- SDGs and NDS aligned State Development Strategy and Sector Plan
- Aid Coordination
- Transparency and Accountability

11. Overview of budget

Joint SDG Fund contribution	USD 1,000,000.00
Co-funding UNDP and UNICEF South Sudan	USD 1,123,051.00
TOTAL	USD 2,123,051.00

12. Timeframe:

Start date	End date	Duration (in months)
<u>1st June 2020</u>	<u>31st May 2022</u>	<u>24 months</u>

13. Gender Marker:

Gender marker score 2.16.

See Annex 4.

14. Participating UN Organizations (PUNOs) and Partners:

14.1 PUNOs

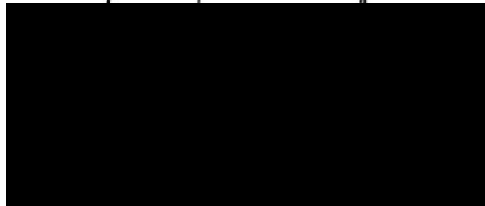
- Convening agency: United Nations Development Programme (UNDP) and United Nations Children's Fund (UNICEF)
- Other PUNOs: World Health Organization (WHO) and Office of the United Nations High Commissioner for Human Rights (OHCHR)

14.2 Partners

- National authorities: Ministry of Finance and Planning (MoFP), National and State Revenue Authorities, Ministry of Education (MoE), Ministry of Health (MoH), Ministry of Gender, Child and Social Welfare (MoGCSW), and National Legislative Assembly
- Civil society organizations
- Private sector
- International Financial Institutions: African Development Bank (AfDB) and World Bank
- Other partners: International Budget Partnership (IBP), Charlie Goldsmith Associates (CGA), UNICEF Eastern and Southern Africa Regional Office (ESARO).

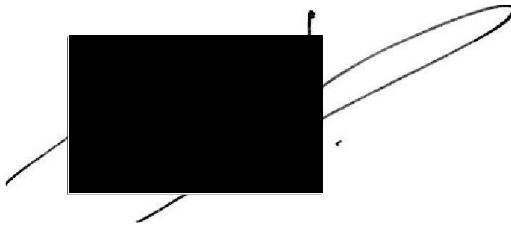
SIGNATURE PAGE

Resident Coordinator
Alain Noudéhou



Date:

Participating UN Organization (lead)
UNDP
Kamil Kamaluddeen



Date:

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Mohamed Ag Ayoya



Date : 24/3/2020

National Coordinating
Authority

Ministry of Finance and Planning
(MoFP)

Ocum Genes Karlo
Under-Secretary for Planning
(Endorsement letter is attached)

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

- **UN Cooperation Framework (UNCF) Outcome 1:** The South Sudanese population, particularly the most vulnerable groups, benefit from strengthened peace infrastructures and accountable governance at the national, state and local levels.
- **UNCF Outcome 3:** Most vulnerable populations including women and children increasingly use improved basic healthcare, nutrition, education and water, sanitation and hygiene (WASH) services in South Sudan.

3.2 Outputs

- **Output 1.1:** Political Governance Processes and Transitional Institutions and Mechanisms supported for effective, transparent and responsive governance.
- **Output 1.2:** Public Administration strengthened through institution building and reform.
- **Output 3.1 (Health):** People in South Sudan, particularly children, women, youth and people living with chronic illnesses have increased access to and utilization of quality essential health service.
- **Output 3.4 (WASH):** Vulnerable and emergency-affected people in South Sudan including children and women have access to basic drinking water, sanitation facilities and increased the capacity for effective emergency preparedness, response and recovery for WASH services.
- **Output 3.5 (Education):** Children, adolescents, youth and adults have increased and equitable access to lifesaving quality education with improved learning outcomes and essential lifeskills.

4. SDG Targets directly addressed by the Joint Programme

4.1 List of goals and targets

The primary SDGs and targets supported by the JP are:

SDG 17: Partnership for Sustainable Development

Targets 17.1: Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection; 17.3: Mobilize additional financial resources for developing countries from multiple sources; and 17.4: Enhance policy coherence for sustainable development.

SDG 16: Strong Institutions of Peace and Justice

Targets 16.6: Develop effective, accountable and transparent institutions at all levels; 16.7: Ensure responsive, inclusive, participatory and representative decision-making at all levels.; and 16.10: Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreement.

SDG 1: No Poverty

Targets 1.A: Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions; and 1.B: Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions.

The JP also contributes to SDG 3: Good Health and Well-being; SDG 4: Quality Education; SDG 5: Gender Equality; SDG 6: Clean Water and Sanitation; and SDG 10: Reduced Inequality.

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

i) National Development Strategy (July 2018–June 2021)

Accountability Sector Results Framework:

- Intensify revenue mobilization
- Operationalize institutional mechanism to promote citizen engagement and participation

Social Service Cluster Results Framework:

- % of National Budget allocated to social services (baseline 5%; 3-year target 15%)
- General government expenditure on health as a % of total government expenditure (baseline 2%; 3-year target 7%)
- Increment of the Budget to the Social and Humanitarian Sectors (baseline 0.1; 3-year target 10%)

ii) Chapter IV of the Revitalized Agreement on the Resolution of the Conflict in the Republic of South Sudan (R-ARCSS)²: economic and financial reforms for effective public service delivery

6. Brief overview of the Theory of Change (ToC) of the Joint Programme

If an SDG-aligned National Development Strategy (NDS), State Development Strategies (SDSs), Sector Plans, and a robust Integrated National Financing Framework (INFF) are developed and implemented in consultation with donors, the private sector, and communities including vulnerable populations;

If government capacity to mobilize domestic revenue is enhanced;

If budget planning, formulation, spending, reporting, and financial oversight is improved;

Then the Government of South Sudan and selected States will equitably allocate greater resources to critical SDG-related social services and ensure their efficient, effective and transparent utilization to strengthen resilience, social cohesion and benefit all people, especially the most deprived and vulnerable children and women.

The main ToC assumptions are that the political role players are able to maintain the existing interim government institutions and mechanisms and navigate a forward trajectory; stability in oil production, oil prices and the country's economy is maintained; existing PFM actors remain interested in investing toward PFM institutional capacity development; taxpayers are incentivized to pay taxes; and NDS, INFF, SDSs and Sector Plan planning processes are conducted in an inclusive manner.

² September 2018.

7. Trans-boundary and/or regional issues

While PFM issues currently experienced in other countries in Eastern and Southern Africa (ESAR) differ from South Sudan in terms of intensity and impact, they are based on common themes, including disempowered, under-funded local government, insufficient local government revenue collection, reliance on donor funds, lack of credible budgets, reporting and monitoring, and very low levels of community involvement in the budget process.

The UNICEF ESARO Social Policy Chief and PFM Specialist are directly involved in developing and delivering on PFM outputs in countries in the region such as Ethiopia, Kenya, Somalia, Tanzania and Uganda, and the South Sudan JP will be supported by cross learning through Country Offices in ESAR. The programmes of other actors will also be mutually supportive of the JP. These include:

- **International Monetary Fund (IMF):** The IMF has actively supported South Sudan to promote economic resilience, including highlighting major economic and system focus areas for the government to address in its Article IV Consultation Reports.
- **World Bank:** The World Bank has continued its support through Local Governance and Service Delivery Project (LOGOSEED), providing US \$1.1 billion in 2019, and is evaluating the optimal vehicles for further investment in the post-conflict, peace and institution building.
- **Regional Economic Communities:** The Economic Community of West African States (ECOWAS), the Intergovernmental Authority on Development (IGAD), the Southern African Development Community (SADC), the Economic Community of Central African States (ECASS) and the Arab Maghreb Union (AMU) support post-conflict countries to secure and build peace.
- **African Development Bank (AfDB):** AfDB provides loans for countries to improve their performance on PFM and promote the achievement of public policy objectives, and is engaging MoFP to evaluate the country's financial management system needs.

C. JOINT PROGRAMME DESCRIPTION

1. Baseline and Situation Analysis

1.1 Problem statement

Prior to South Sudan's independence in 2011, nearly four decades of civil war had already devastated access to basic services. As a result of renewed conflict in South Sudan from 2013, a humanitarian crisis ensued that further destroyed systems to deliver social services. About 7.1 million South Sudanese required humanitarian assistance in 2019, roughly 2.3 million refugees fled into neighboring countries, and an estimated 1.9 million people are internally displaced.³ More than half of the country's population is estimated to be severely food insecure. An estimated 3.9 million people needed healthcare in early 2019, but most healthcare facilities have been destroyed. Moreover, the education system has been disrupted with about 2.8 million children (more than 70 percent of school-aged children) having lost access to educational services.⁴ Women and girls are disproportionately affected by the crisis due to mobility restrictions, limited decision-making power, lack of access to, and control over resources and poor access to information about their rights.

On 22 February 2020, South Sudan formed a unity government, the Revitalized Transitional Government of National Unity (R-TGoNU). This marks a long-awaited first step towards sustainable peace, democracy and economic development. The R-TGoNU has 36 months to enforce accountable governance institutions and improve service delivery to its citizens before national elections are held. This is a daunting challenge because most of the legislative framework, policies and institutions remain extremely weak. Weak institutions make it very difficult to finance and provide basic public services. The country has high debt, a hopeful but uncertain political landscape and very scant investment. Fiscal policies have been weakened by the loss of fiscal discipline and deteriorating PFM.⁵

South Sudan had deep levels of economic instability, social insecurity, poverty and vulnerability before being impacted by COVID-19. The onset of the global pandemic has created a crisis on top of crises for South Sudan. Among others, the Government is tackling a severely depressed fiscal space: Total projected Government revenue is estimated to decline drastically with the economic slowdown due to COVID-19 response measures - quarantine, curfews, and transport restrictions. Notably, the fall in global oil prices has been predicted by the MoFP to eradicate about 80 percent of the national budget. This is further increasing the already crippling fiscal deficit and lack of access to foreign currency.

The IMF identified the need to improve fiscal governance, including revenue institutions, procurement practices, transparency and PFM controls. In 2017, South Sudan scored at 5% for budget transparency (well under the global average of 42%, and other ESAR countries for example, 60% in Uganda, 46% in Kenya, and 10% in Tanzania).⁶

The main features of South Sudan's public finance system identified through a PFM cycle mapping exercise (Annex 7) include:

- **Weak revenue mobilization, management and coordination at national and subnational level:** The weak capacity of State Revenue Authorities (SRAs) to effectively raise and manage revenue collection has led to a major loss of potential revenue.

³ UNHCR "South Sudan Operational Update No 05-1-15 March 2019"

⁴ UNOCHA "South Sudan Humanitarian Response Plan 2019"

⁵ IMF Country Report No. 19/153 South Sudan: 2019 Article IV Consultation - Press Release; Staff Report; and Statement by the Executive Director for the Republic of South Sudan

⁶ Open Budget Survey (2017)

Inconsistent tax policy frameworks⁷ result in a lack of clarity on tax revenue transfers from the subnational to the national government and the tax collection mandates of the SRA and the County Commissioner. Low awareness of citizens on tax compliance further contribute to low levels of tax revenue.

- **Inadequate planning, budgeting, expenditure control, reporting, and oversight at national and subnational level:** There are significant gaps in the PFM architecture including the low capacity of MoFP and state line ministries to develop SDGs and NDS-aligned SDSs, Sector Plans and ministry-level plans; weak budget planning and reporting processes, including the absence of guidelines and tools to link plans and budgets and generate expenditure information; low budget credibility (i.e. a lack of capacity among state officials to spend in accordance with the budget⁸); and lack of an oversight framework to monitor PFM processes.
- **Lack of transparency and coordination in the preparation of national and state-level development strategies:** While the NDS aligns with the SDGs, it does not have an INFF to guide national financing towards achieving the SDGs. At subnational level there are currently no updated SDSs, Sector Plans or ministry-level plans aligned with the NDS and SDGs.⁹ This has resulted in low budget allocations to social sectors in 2019/20: Ministry of Health (1%), Ministry of Education (5%) and Social and Humanitarian Affairs (2%).

In addition, there is a lack of attention to the gender equality aspect of South Sudan's public finance system and specific approaches are needed within the PFM reform cycle to facilitate gender equality goals being achieved. Key is ensuring the effectiveness of the systems associated with budget execution¹⁰.

Beyond the systemic PFM challenges, the country also faces severe humanitarian and development financing constraints. These include:

- **Overdependence on oil revenue:** Oil accounts for almost the entire export market and more than 40% of its gross domestic product (GDP), making South Sudan one of the most oil-dependent countries in the world.¹¹ Shrinking oil revenues as a result of petroleum prices and damaged oil production capacity due to the conflict, and resource mobilization and spending focused on the conflict, posed serious challenges to fund development initiatives. This overdependence was underlined by the global fall in oil prices during the corona crisis. Hence, non-oil revenue diversification is a priority.
- **Overdependence on donor financing:** Total Official Development Assistance (ODA) in 2018 was USD 1.577 billion¹² compared to the government expenditure of USD 775 million¹³. In the period 2017–2018 humanitarian financing accounts for 71.3% of total ODA, while development financing that could enhance government capacity to provide essential social services was only 28.7% of ODA.¹⁴
- **Insignificant private investment:** Estimated at just 5.5% of GDP¹⁵, the scant size of private investment reflects the low levels of private sector development across the country

⁷ Public Financial Management and Accountability Act, 2011

⁸ State spending happens on an ad-hoc basis to satisfy short-term needs, hindering budget execution, even when budget is approved by Legislative Assembly.

⁹ Even when SDS and Sector Plans were formulated, they were often developed in isolation without proper consultation with key stakeholders including donors, the private sector and CSOs as there are weak coordination mechanisms to capture donor contributions at national and sub-national levels.

¹⁰ DFID and UN Women, Working Paper, How can PFM Reforms Contribute to Gender Equality Outcomes? Undated.

¹¹ The World Bank <https://www.worldbank.org/en/country/southsudan/overview>

¹² The World Bank <https://data.worldbank.org/indicator/DT.ODA.ALLD.CD?locations=SS>

¹³ Ministry of Finance and Planning – Budget speech FY 2019/2020

¹⁴ OECD https://public.tableau.com/views/OECDDACaidatagancebyrecipient_new/Recipients?:embed=y&:display_count=yes&:showTabs=y&:toolbar=no?&:showVizHome=no

¹⁵ The World Bank (2015)

alongside the high investment risk profile which impedes greater foreign direct investment (FDI).

- **Household reliance on remittances:** In 2015, for example, remittances received amounted to 9.5% of GDP, illustrating that the South Sudanese often must rely on families and networks based overseas for their basic services. The stark reduction of remittance flows due to the global economic downturn caused by the Corona crisis, underlines the importance of strengthening national development.

In sum, conflict has led to a grave humanitarian crisis and the country's weak institutions can barely finance and provide basic social services. This dire situation is worsening due to the impact Covid-19 is having on the economy and vulnerable people's lives. The onset of the Coronavirus pandemic is necessarily forcing the attention of the Government, people and donors towards the country's inadequate health systems. Simultaneously, the pandemic is a stark reminder of how important it is for South Sudan to strengthen its PFM institutions, in order to tackle economic shocks better in the future and to enable investments in social sectors that ensure the achievement of the SDGs, including the health system. It is vital to diversify sources of revenue beyond oil and donor aid and enhance the capacity of government institutions, so that basic social services can be provided and citizens can develop trust in the social contract. The strengthening of PFM institutions in South Sudan should therefore happen in tandem with the response to the pandemic, because it is an integral part of building back a better and more resilient South Sudan.

1.2 SDGs and targets

This JP will strengthen the capacity of Revenue Authorities to increase tax revenue by 15% in three target states of Central Equatoria, Western Equatoria and Northern Bahr el Ghazal where UNDP has been providing support since 2016. This action will contribute to attainment of SDG 17 - Target 17.1 which aims to 'Strengthen domestic resource mobilization'). The JP will also contribute to SDG 16 - Target 16.6 which seeks to 'Develop effective, accountable and transparent institutions at all levels' by building capacity of PFM institutions at both national and state levels, especially the MoFP, to ensure that public funds are allocated and spent efficiently and effectively, utilizing a human rights-based approach to sustainable development, to deliver essential services to the most deprived and vulnerable populations including children and women. The action will also contribute to SDG 5: Gender Equality, and SDG 10: Reduced Inequality.

The JP is aligned with the NDS 2018–2021 and contributes to the development of the next NDS and INFF for the period 2022–2024 at national level, and SDSs and Sector Plans at state level, especially those of Central Equatoria, Western Equatoria and Northern Bahr el Ghazal. These plans will be instrumental in guiding budget allocations to essential social sectors contributing to the achievement of SDG 1 No Poverty; SDG 3 Good Health and Well-being; SDG 4 Quality Education; SDG 5 Gender Equality; SDG 6 Clean Water and Sanitation; and SDG 10 Reduced Inequality.

The JP monitors the progress of SDGs and targets using following approaches (detailed information on monitoring progress is presented in Annex 3. Results Framework and Annex 2. SDGs and Targets):

Target 16.6: *Develop effective, accountable and transparent institutions* will be monitored through three indicators:

- Outcome indicator 2: Primary government expenditures as a proportion of original approved budget (disaggregated by sector, or by budget codes or similar, and state), with the baseline of 1.5% as per Financial Year (FY) 2019/2020 Budget Speech¹⁶ and the target of 5%¹⁷ for national level (the state level baseline and target will be established with MoFP at inception phase);
- Output indicator 1.2.1: Number of government institutions trained at national/state level with the baseline of 0 and the target of 22;
- Output indicator 1.2.2: Number of government officials trained (disaggregated by national, state, and gender) with the baseline of 0 and the target of 200.

Means of verification for these indicators are budgets and expenditure reports; training reports, project progress reports; and state budget workshop reports.

Target 17.1: *Strengthen domestic resource mobilization* will be measured by:

- Output indicator 1.1.1: % increase in non-oil revenue mobilization in the project target states of Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states. The ongoing UNDP project recorded the average monthly revenue collection for 2019 in the former Jubek, Central Equatoria (60 million SSP); Aweil, Northern Bahr el Ghazal (30 million SSP) and Gbudue, Western Equatoria (8 million SSP). New baselines for these three states will be set once the new SRAs for the larger states are established. The target is set at 15%.

¹⁶ (FY 2014/2015 to FY2017/2018) Aggregate -30%; Education: -13%; Health: -53%; Social and Humanitarian Affairs: +42% (under-spent overspent average).

¹⁷ To be reviewed with the MoFP at inception phase.

Means of verification for this indicator is monthly SRA reports and UNDP project progress reports.

The outcome indicator *1% of allocation to essential services at the national and state levels* – disaggregated by sectors (education, health and social protection) and type of funding flow (Government own resources, ODA, and Private) – will be used to measure the progress of the following SDGs and Targets:

- **Target 17.3: Mobilize additional financial resources for developing countries from multiple sources** with the national level baselines of Government fund USD 775 million; ODA USD 1.577 million; and private financing to be confirmed and the targets to be established with the MoFP at the inception phase.
- **Target 1.A: Ensure significant mobilization of resources from a variety of sources to implement programmes and policies to end poverty in all its dimensions** with the national level baseline of average 8% allocation to essential services (Education – 5%; Health – 1%; Social and Humanitarian Affairs – 2%) contributing to poverty alleviation of the country, and the target of 15% (Education – 8%; Health – 3%; Social and Humanitarian Affairs – 4%).
- **SDGs 3: Good Health and Well-being, SDG 4: Quality Education, SDG 6: Clean Water and Sanitation, and SDG 10: Reduced inequality** with the national level baselines of Education – 5%, Health – 1%, and Social and Humanitarian Affairs – 2% and the targets of Education – 8%, Health – 3%, and Social and Humanitarian Affairs – 4%.

The JP will set baselines and targets for the state level with MoFP at inception phase as state level data is currently not reliable. To improve the reliability of the data at state level, this JP will enhance capacity of state MoFPs and relevant line ministries in budgeting and reporting through Output 2 of this project. Means of verification for this indicator is national and state level approved budgets.

Output indicator 1.2.3 Gender and pro-poor aspects are included in Budget Call Circulars. State budget guidelines will be used to measure the progress of the following Targets:

- **Target 1.B: Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions;**
- **Target 5.C: Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.**

The national and state level baselines are “No” and targets “Yes”. Means of verification for this indicator is the Budget Call Circular and state budget guidelines.

1.3 Stakeholder mapping and target groups

The main target groups of the JP are the State Ministries of Finance; State Development Planning Committees (SDPCs); SRAs; and social sector delivery agencies.

National stakeholders responsible for state mentoring and training

The following national Ministries, Department and Agencies (MDAs) will be involved in the design and management of the JP and will provide trainers and mentors to their state-level counterparts:

- **Ministry of Finance and Planning (MoFP)** ¹⁸ is responsible for coordinating development planning and budgeting with national line ministries as well managing transfers and grants to states. The MoFP will train and mentor state finance and administration officials in development planning, budget preparation and budget execution. UNICEF and UNDP have joint workplans with MoFP.
- **Line Ministries (MoE, MoH and MoGCSW)** are policy and oversight, and direct service delivery agents. Line Ministries are a conduit of funds to delivery units and influence conditional grants and transfers to states. The JP will build their capacity to contribute to credible strategic and development plans, culminating in NDS 2022–2024. As an extension of this, they will provide mentors and trainers to SDCs. MoGCSW will also provide training of trainers (ToT) and state mentor support in gender equity, women’s empowerment, services to vulnerable groups (including persons with disabilities); and social protection (including child protection). UNICEF is supporting the implementation of their respective joint workplans 2019–2021, such as on child protection and social protection with MoGCSW.
- **National Revenue Authority (NRA)** collects taxes and receives taxes from SRAs. With support from the JP, the NRA will provide coordination between itself, SRAs, and Customs Directorates and will provide trainers and mentors to build capacity at SRAs. UNDP has a joint workplan with the NRA.
- **South Sudan Relief and Rehabilitation Commission (SSRRC)** collects data on humanitarian and development programmes, mapping donor, UN and non-governmental agency (NGO) support to the SDGs. The JP will support the SSRRC to map the scope and scale of humanitarian and development programmes as it currently lacks the linkages and capacity to do so.

National accountability and transparency stakeholders/target groups

- **The National Legislative Assembly (NLA)** approves the annual budget and has oversight responsibility for all service delivery. The NLA can influence budget allocations, determine spending priorities and their standing committees, and is mandated to hold the executive to account. The NLA will participate in the citizen’s budget and open budget index, in coordination with social sector national MDAs covered above.

Key stakeholders/target groups at sub-national level:

- **The State Ministry of Finance and Planning (MoFP)** consolidates its own revenue with grants and transfers into a consolidated budget to the State Council of Ministers (SCoM) and State Legislative Assembly (SLA) for approval. The State MoFP allocates transfers to county budgets and supports county development plans. The JP will support MoFPs to

¹⁸ The JP will engage with the Budget Directorate; and the following units: Aid Coordination; Inter-Governmental Fiscal Transfer, Budget Policy, Sectoral Planning, Macroeconomic, Debt Management and Audit Chamber

strengthen their capacity for coordination, development planning, budgeting, expenditure control and reporting.

- **State Revenue Authorities (SRAs)** collect revenue at the state level. UNDP has been involved in capacity building of tax officers; helped establish SRA boards; trained Commissioner Generals; and provided infrastructure support in six states. The JP will build further capacity to support taxpayer sensitization and clarify modalities of cooperation with MoFs including operationalizing board meetings. In addition, UNDP will continue in 2020 with information communication technology (ICT) installment and mapping of taxpayers (through AfDB funding).
- **State social sector MDAs** are a primary Government of the Republic of South Sudan (GRSS) service delivery conduit. They are required to prepare annual plans and submit budgets to the State Council of Ministers. The JP will provide support in formulating SDSs and Sector Plans and prepare their annual budgets.
- **The State Council of Ministers (SCoM)** is the highest decision-making body at state level and is chaired by the State Governor. The SCoM approves annual state budgets which are consolidated by the State MoF. The SCoM is ultimately responsible for state development and achieving progress toward the SDGs. The JP, therefore, will support SCoM in annual state budgets process.
- **State Relief and Rehabilitation Commission** (see South Sudan Relief and Rehabilitation Commission, above). The JP will support the SRRC to map the scope and scale of humanitarian and development programmes at state level as it currently lacks the linkages and capacity to do so.
- **The State Legislative Assembly (SLA)** members will have their capacities strengthened through the JP to integrate SDGs in development plans, scrutinize budget submissions and hold the executive to account. The SLA will be involved in budget transparency and accountability activities, including holding community consultation forums.
- **The private sector** including banks and money operators, supports communities through corporate social responsibility (CSR) programmes. An example in Gbudue state is a timber company constructing and rehabilitating school and health facilities. The JP will involve the private sector in development planning and through this, explore channels for private sector SDG funding.
- **Media** especially radio, which is the most prevalent communication channel for the majority of South Sudanese, will be used for advocacy purpose in budget consultation, awareness and transparency, citizens' budgeting and inputting to community development planning.
- **Civil Society Organizations (CSOs)** can play an external oversight function in the budgeting cycle. CSOs advocate for increased spending on social services and promote the realization of a human rights-based approach to sustainable development. The JP will involve CSOs in development planning and budgeting processes.
- **Communities** will be key stakeholders as part of the citizens' engagement and community-based oversight mechanisms during the budgeting cycle at subnational level. Existing community platforms (network of community mobilizers in the three States) supported by UNICEF will be leveraged.

2. Programme Strategy

2.1. Overall strategy

The JP is aligned with the mandate of R-TGoNU to build peace institutions and prepare for democracy and economic development in South Sudan. The JP is a transformational PFM programme as it supports rapid capacity building and systems strengthening for the existing GRSS development planning, revenue collection and expenditure management agencies.

In addition, the JP approach is innovative as it seeks to strengthen both the supply (revenue) and demand (expenditure) sides of PFM which contributes to SDG 16 especially *Target 16.6 Develop effective, accountable and transparent institutions* and SDG 17 *Target 17.1 Strengthen domestic resource mobilization*. It therefore tackles funding challenges in a more holistic manner than previous silo-based interventions. Moreover, the JP will enhance coordination between development partners and the GRSS and capture the support provided by development partners in the NDS, INFF, SDSs and Sector Plans, which has not been included to date. This will contribute to SDG 17 especially *Target 17.3 Mobilize additional financial resources*.

The JP also places greater emphasis on a human rights-based approach to sustainable development, as reiterated in “The Highest Aspiration: A Call to Action for Human Rights 2020” launched by the Secretary-General in February 2020¹⁹. This will contribute to SDG 10 by increasing budget allocations for the most marginalized groups of society. In accordance with this approach, the GRSS will take greater ownership of its responsibility as the primary duty-bearer in providing essential services to the people of South Sudan through allocation of national revenue to the health, education and other human rights-related sectors. This will enable a paradigm shift toward increased budget allocations to social services which contributes to SDGs 1, 3, 4, 5, and 6.

Most NDS 2018–2021 goals and targets were not achieved due to the civil war and economic and governance crisis in the country. Through complementary support from the UN, the upcoming NDS 2022–2024 will allow all stakeholders to contribute to the redevelopment of South Sudan, extend existing funding mechanisms and facilitate new funding mechanisms, focused on SDG delivery by: (1) aligning the NDS to the SDGs as well as develop an INFF inclusive of donors, IFIs, UN agencies, NGOs and the private sector. (2) Investing in evidence-based decision making and increasing PFM transparency; and (3) Supporting subnational MDAs to develop, finance and implement NDS- and SDG-aligned plans and strategies. Most importantly, the JP will invest 34% of the total Joint SDG Fund budget (USD 309,074) in the capacity enhancement of PFM institutions to improve spending and mitigate misuse of funding.

Improving domestic revenue collection is essential to the sustainable development of South Sudan. The country will be dependent on donor contributions for an extended period of time as the potential of increasing oil revenue (which comprises 90% of government revenue) will be slowed by a range of factors, including outdated equipment, low levels of local technical capacity, volatility and competition in the global market, and the destruction of oil infrastructure during the civil war. The World Bank and oil rating agencies predict that crude oil demand will begin to peak in the next five to ten years and the price of oil will stabilize in the 70 USD per barrel range. These forecasts pre-date the impact of the Corona virus epidemic which has led to a large downward swing in the demand for oil. In addition, the collection of

¹⁹ United Nations, “The Highest Aspiration: A Call to Action for Human Rights 2020” (24 Feb. 2020), *available at*: https://www.un.org/sq/sites/www.un.org.sq/files/atoms/files/The_Highest_Asperation_A_Call_To_Action_For_Human_Right_English.pdf

its own revenue is severely limited by high poverty levels, the disruption of livelihoods, markets and subsistence agriculture, the migration of citizens away from households and the lack of physical infrastructure. South Sudan therefore needs to rapidly increase its non-oil revenue. To do this it needs to leverage FDI, primarily in banking, finance, telecommunications and construction. Investor confidence can only be built on strong, transparent state institutions, and this JP aims to kick-start the re-building of planning, development, revenue mobilization and expenditure, and social sector delivery agencies.

The added value of the UN and PUNOs is their role as trusted Government and stakeholder partners, with a track record of delivery on thematic human rights, social sector and institutional programmes – including during the crisis period, when many other partners withdrew from South Sudan. Example programmes include (see Annex 7. PFM cycle mapping exercise for more information):

- **UNDP:** The UNDP's 'Support to PFM Project' (supported by AfDB and the Government of Japan) has been operational since 2016 in its current form and played a major role in developing NDS 2018–2021. Other programmes include the UNDP GEMS Project.
- **UNICEF:** In addition to providing ongoing social sector support, UNICEF has been continuing its successful PFM capacity building programme under the three-year workplan with MoFP, around the budgeting cycle. In 2019, State Budget Workshops were revived, reaching 300 state level MoFP officials with knowledge and practical tools on budget preparations. Meanwhile MoFP has been supported on the production of various evidence products including budget briefs and citizens' budgets since 2018.

The JP aligns with UN and national priorities and initiatives, including:

- R-ARCSS Chapter IV: economic and financial reforms for effective public service delivery;
- NDS: Accountability Sector Results Framework Indicator 1-intensify revenue mobilization and 2- institutionalize citizen engagement and participation;
- Social Service Cluster Results Framework indicators on the percentage of budgets to social services (baseline 5%; 3-yr target 15%), health, (baseline 2%, 3-yr target, 7%); and social and humanitarian (baseline: 0.1; 3-yr target: 10%);
- UN Cooperation Framework (UNCF): all citizens, particularly women, children, the poorest and most vulnerable benefit from strengthened peace infrastructures and accountable governance (Outcome 1) and improved basic healthcare, nutrition, education and WASH services (Outcome 3).

The MoFP and MoGCSW will provide policy guidance and coordinate the design, implementation, monitoring and evaluation of the JP. The JP is built on the existing platform of UNICEF's partnership workplan with the Directorate of Budgets and that of UNDP's with the Directorate of Aid Coordination, both critical actors in mobilizing domestic and external resources for NDS implementation²⁰. After the JP is completed, it is expected that these two agencies will continue to spearhead systems strengthening, promote gender, child and vulnerable sub-group responsive budgets and build transparent and accountable mechanisms at national and subnational level, replicating the JP interventions in all ten states in collaboration with the AfDB on Non-Oil Revenue Mobilization and Accountability (NORMA) phase 2. To ensure sustainability, GRSS needs to explore new avenues of collaboration with the World Bank and other IFIs and contribute to the larger PFM programmes which can be scaled up with the infusion of the SDG Fund to have a greater impact under the 2018–2021 and the 2022–2024 NDSs.

²⁰ To complement the efforts under the JP, UNDP in partnership with the Government of Norway will be positioning technical assistance support in key Ministries such as MoFP Aid Coordination, NRA and NLA towards focused capacity building through the Governance and Economic Management Support project.

2.2 Theory of Change

a) Summary

The logic of the theory of change of this JP is that:

If an SDG-aligned National Development Strategy (NDS), State Development Strategies (SDSs), Sector Plans, and a robust Integrated National Financing Framework (INFF) are developed and implemented in consultation with donors, private sector, and communities including vulnerable population;

If government capacity to mobilize domestic revenue is enhanced;

If budget planning, formulation, spending, reporting, and financial oversight is improved;

Then the Government of South Sudan and selected States will equitably allocate greater resources to critical SDG-related social services and ensure their efficient, effective and transparent utilization to strengthen resilience, social cohesion and benefit all people, especially the most deprived and vulnerable children and women.

b) Detailed explanation

By 2030, the JP will contribute to “15% budget allocation and expenditure increase to national priorities and social services related to the government priority SDGs 16, 4, 1, 3, 5, 6, 10, and 17.” This will be achieved through establishing a robust, effective and transparent PFM system at national and subnational level to optimally utilize available resources including national revenue as well as other financing resources such as ODA and the private sector. In this long-term vision, this JP aims to support the top-down process of drafting and revising policy and strategy²¹, as well as building the capacity of national and subnational government especially focusing on the three states of Central Equatoria, Western Equatoria and Northern Bahr el Ghazal to realize full implementation of their PFM responsibilities. This will later scale up to include all the ten states in South Sudan in collaboration with the other PFM actors including AfDB, the Government of Japan and the World Bank.

The JP will focus on the following interventions:

Revenue mobilization systems strengthened in Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states

Improving the quality of PFM especially revenue management, will increase the level of accountability and citizens’ trust in national and subnational government units. For instance, through the UNDP Support to PFM project, locally mobilized taxes were used to construct “Khor muss bridge” between Magwi and Torit town at a cost of 25,000 USD. This newly constructed bridge links 12 counties of Torit State to Juba, Nimule, Magwi and Uganda, reducing the transportation costs, easing the business environment and facilitating movements of goods and people. This, combined with the improvement in the enabling environment for the SRA to collect taxes, helped the SRA in Torit to increase revenue mobilization by 620%²² within the first month of establishment. This type of success story will encourage taxpayers, as they see how the taxes that they contributed were utilized. Built on the UNDP’s successful engagement with the SRAs in the former Jubek, Aweil and Gbudue states (now Central Equatoria, Western Equatoria and Northern Bahr el Ghazal), the JP will further consolidate its efforts by filling identified gaps of lack of institutional capacity, and lack of awareness among taxpayers on the importance of taxes.

²¹ NDS and INFF 2022–2024 at national level and SDSs and Sector Plans at subnational level

²² Increase in revenue collection from 0.5 million SSP to 3.6 million SSP after the SRA was established in November 2018.

Effective PFM institutions reactivated and established at national and subnational level especially targeting Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states

The JP will establish a government led State Mentoring Team (SMT). The MoFP, NRA and line ministries will select their delegates (15–20 officers), focusing on staff who will be/are involved in subnational capacity building – e.g. for MoFP, the Intergovernmental Fiscal Relations Unit (IGFR) Unit. Through a five-day training workshop in Juba, the members of the SMT will be equipped with: (1) knowledge and status of the SDGs in South Sudan; (2) the NDS and alignment with SDGs; (3) updated guidelines on revenue collection and management; (4) strategic and operational planning; (5) audit procedures and familiarization with recent budgeting guidelines (post-February 2020 onwards); (6) information on changes in legislation; (7) issues of transparency and accountability, including (8) legislative oversight; (9) human rights and gender equality; and (10) specific sector SDG implementation. After the completion of this ToT in Juba, the SMT will be deployed to the target states of Central Equatoria, Western Equatoria and Northern Bahr el Ghazal to conduct training for the State Director General (DG) of Finance and Administration; SRA, state line ministries; and representatives from counties.

SDG-aligned national and subnational level development strategies rolled out through evidence-based decision making and inclusive consultations

SDG-aligned national and subnational development strategies will navigate South Sudan towards the realization of SDGs in the long term. The JP, therefore, will organize consultation workshops to develop the NDS and INFF 2022–2024 at national level and SDSs and Sector Plans at subnational level. Following the planning process, the JP will hold state budget workshops to support relevant authorities to formulate budgets that are aligned to the SDGs. The process will be inclusive of donors, the private sector, NGOs and community members who play key roles in development of the country. In parallel, the JP will continue generating financial data for transparency and for evidence-based decision-making purposes.

Strengthened PFM partnerships

Throughout the JP implementation, there will be a focus on rebuilding and strengthening coordination mechanisms at national and subnational levels, led by a Project Steering Committee chaired by MoFP, and with participation from NRA, the UN Resident Coordinator's Office (RCO) and PUNOs. At subnational level, coordination and oversight committees will also be reactivated. In addition, there will be strong coordination among PFM actors through the monthly PFM Donor Working Group (PDWG).

c) How strengthened PFM Institutions support managing the impact of COVID 19 in South Sudan

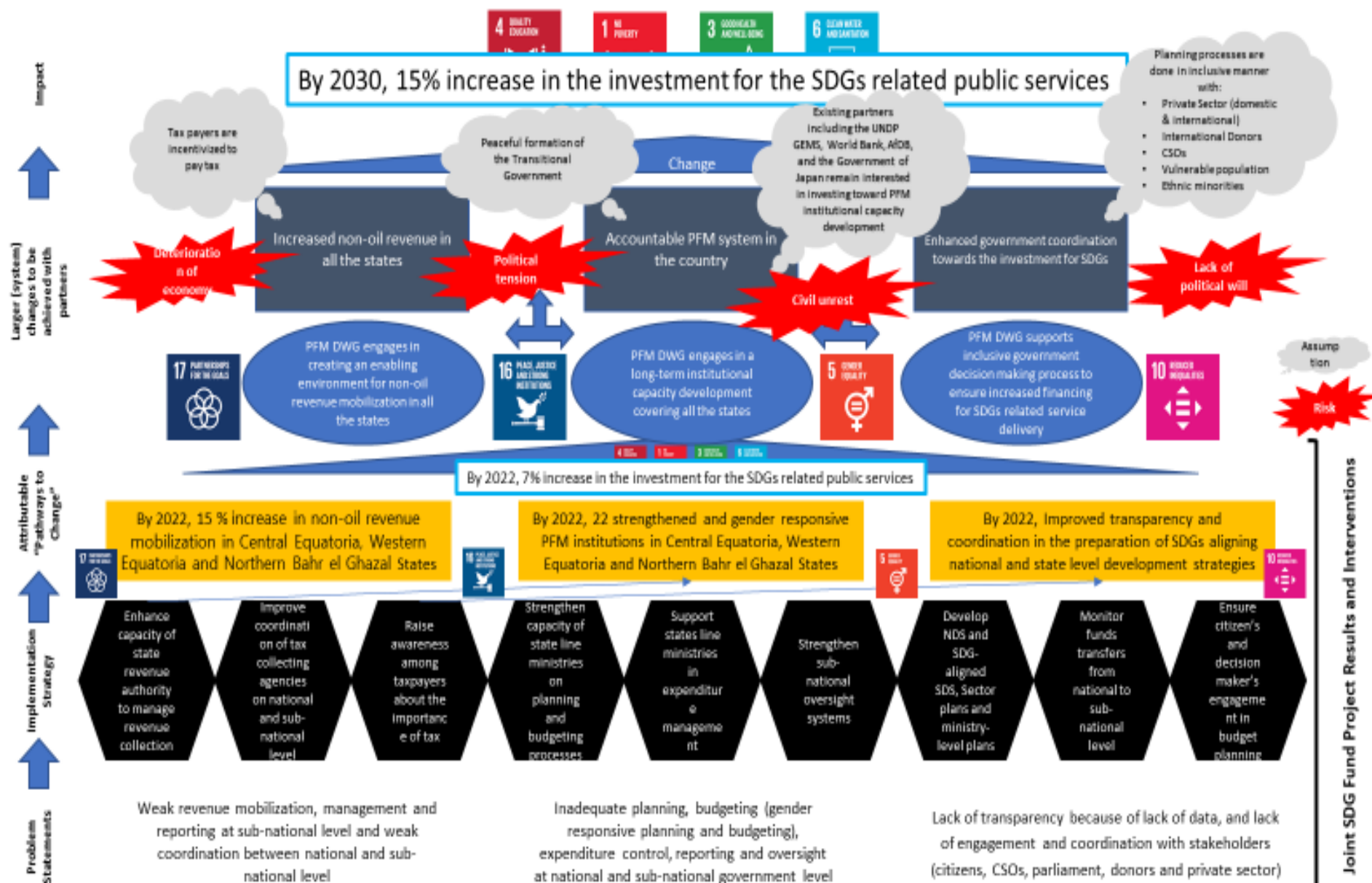
A weak PFM system discourages lending institutions (such as the International Monetary Fund (IMF); World Bank and African Development Bank) granting much needed COVID 19 assistance as the lack of basic PFM systems and the lack of implementation of previous PFM reform criteria deter granting further loan facilities. Furthermore, the financial management and reporting by sub-national government, where basic health and social protection services are delivered, are virtually non-existent, implying that there is no accountability for the funds intended for those affected by COVID 19. A transparent PFM system increases the ability of the GRSS to attract much needed financial assistance and increases the likelihood of much needed social services being delivered.

d) ToC assumptions

This theory of change is based on the following set of assumptions:

- The ability of political role players to maintain the existing interim government institutions and mechanisms and navigate a forward trajectory. If the current interim peace accord holds, the JP can be successfully implemented.
- Stability in oil production, oil prices and in the country's economy is maintained.
- Existing PFM actors including UNDP GEMS, World Bank, AfDB, and the Government of Japan remain interested in investing toward PFM institutional capacity development.
- Taxpayers are incentivized to pay taxes.
- NDS, INFF, SDSs and Sector Plan planning processes are done in an inclusive manner involving parliamentarians, the private sector (domestic & international), international donors, IFIs, CSOs, and vulnerable populations including women and persons with disabilities.

e) Graphical Representation



2.3 Expected results by outcome and outputs

JP Outcome

Achievement of a 7% increase in budget allocation to national priorities and social services which work toward the achievement of the SDGs especially SDG 16, 4, 1, 3, 5, 6, 10, and 17 through establishing an efficient and effective PFM mechanism based on the principles of transparency and accountability.

JP Outputs

Output 1 Capacity Development: 15% revenue mobilization increase in Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states by 2022 (UNDP lead).

Key results:

- A revenue mobilization reporting system established in accordance with the Public Financial Management and Accountability Act, 2011.
- IT equipment installed at the Central Equatoria, Western Equatoria and Northern Bahr el Ghazal state revenue authority offices.
- Coordination among tax collecting agencies at the national and subnational level improved.
- Taxpayer database installed.
- SRAs equipped with skills on efficient tax collection and management.

Output 2 Capacity Enhancement: 22 strengthened and gender-responsive PFM institutions at national and subnational levels especially targeting Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states by 2022 (UNICEF lead).

Key results:

- A government-led SMT established. The JP will aim to have 50% women members.
- ToT training carried out in Juba to familiarize the SMT with PFM principles and gender and human rights responsive planning and budgeting.
- State-level trainings in Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states conducted by the SMT. The equal representation of women will be ensured.
- Supervision and support effectively provided by the SMT to Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states.
- Planning, budgeting, audit and reporting guidelines developed. The Budget Circular and relevant State Budget Guidelines will be updated to ensure gender responsive national budgets are prepared.

Output 3 Stakeholder Engagement: Improved transparency and coordination in the preparation of SDG-aligned national and state level development strategies by 2022 (UNDP and UNICEF lead)

Key results:

- SDG-aligned NDS and INFF (2022–2024) developed.
- NDS and SDG-aligned SDSs and Sector Plans developed by re-established State Development Planning Committees (SDPCs) in Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states.
- State budgets in alignment with SDSs and Sector Plans developed in Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states.
- A national dashboard to monitor state online financial and operational reporting (including on SDG related programmes) operationalized.
- Routine spending analyses developed to inform budget decisions and spending processes at national and state levels – budget briefs, Citizen’s Budgets, Public Expenditure Reviews (PERs), Public Expenditure Tracking Surveys (PETS), Open Budget Surveys, etc. Gender analysis will be integrated into these analyses.

- PFM actors' coordination improved through the monthly PDWG.
- PFM actors' understanding of human rights and life-cycle approaches to sustainable development improved as part of training/sensitization efforts by the JP.
- Awareness on the PFM cycle raised through citizens' engagement events and participatory radio programme (i.e. Our Voices interactive).

Enhanced capacity of government institutions in PFM (Outputs 1 and 2) contributes to SDG 16 especially 16.6: Develop effective, accountable and transparent institutions at all levels; Strengthened capacity in domestic resource mobilization (Output 1) contributes to SDG 17, especially 17.1: Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection and 17.3: Mobilize additional financial resources for developing countries from multiple sources. Developing SDG-aligning NDS, INFF, SDSs, and Sector Plans (Output 3) will enable a paradigm shift toward increased budget allocations to social services (SDG 1, 3, 4, 5, 6) and its inclusive consultative process with youth, women, and people with disabilities under the SDG principle of 'leave no one behind' will include thematic spotlights on the importance of increased budget allocations for the most marginalized groups of society (SDG 10).

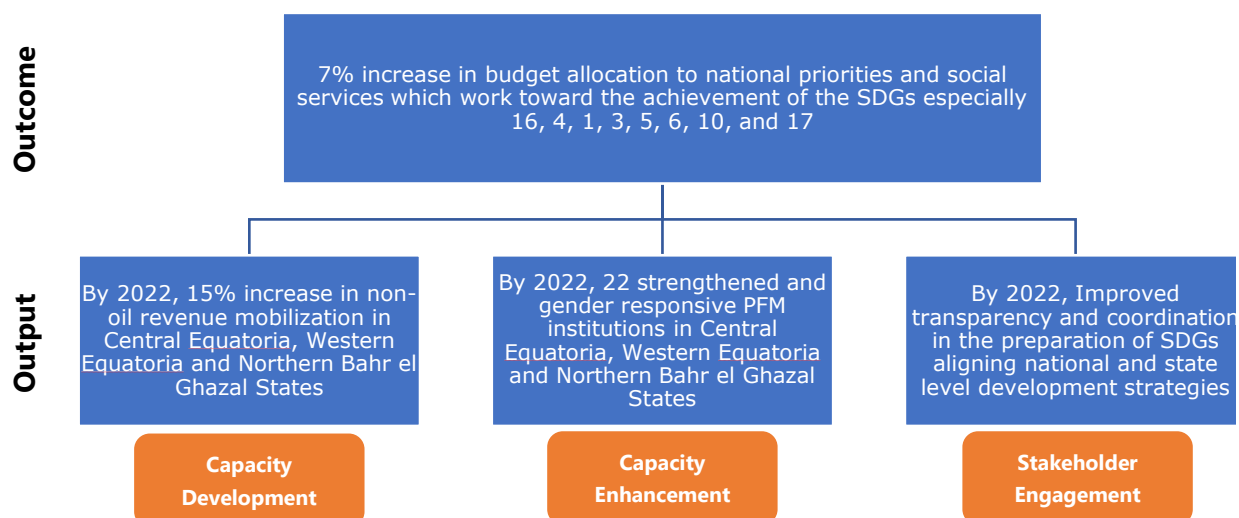
Future scenario for early 2022

Forty-five days after the DGs of Finance and Administration from Central and Western Equatoria and Northern Bahr el Ghazal receive the Budget Call Circular, with transfer ceilings for FY 2022/23, their state budgets are submitted to their State Legislature for approval. This marks a milestone for the peace dividend, establishing robust government institutions and achieving the SDGs. A multi-year, MoFP scoreboard measures and publicizes these achievements and other PFM achievements.

The County Transfer Monitoring Committees (CMTC) in all 10 states will meet the following week. The link between budgets and plans has been strengthened as most members of the CMTC sit on the State Development Planning Committee, which re-convened in 2021. The CMTC will revise their plans for the new FY and be trained in mentoring skills to support county planning and budgeting. In 2021 none of the three states submitted approved budgets to the MoFP and only one state submitted a financial report.

The DG Finance will prepare for a hearing at the SLA to defend the budget and a number of CSOs will attend to ask questions around the allocations to primary health care, poverty alleviation and women's entrepreneurship projects. The three states have re-prioritized their discretionary revenue to supplement the conditional social sector grants. In addition, SRAs are fully operational and plan to increase revenue by 100% in FY 2022/23. Two years since the Government of National Unity (GNU) was formed, there are many areas which require attention, and the DG has the full support of the State Governor to increase the efficient use of resources.

2022 Outcomes



Problem Statement

1. Weak revenue mobilization, management, coordination and analysis at national and sub-national level
2. Inadequate planning, budgeting, expenditure control and reporting at national and sub-national government level
3. Inadequate gender-responsive budget planning and reporting processes
4. Lack of transparency because of lack of civic engagement and lack of data

2.4 Budget and value for money

The PUNO joint delivery platform will cut unnecessary expenditures and overhead costs. The JP has an advantage over other implementation strategies as it is based on established workplans and existing strategic frameworks of cooperation between the PUNOs and GRSS, which have already demonstrated tangible results. If another development partner were to initiate a programme of this nature, they would need to create new workplans. The established cooperation is reflected in the PUNO contribution to the JP of USD 1,123,051, which is larger than the JP budget of USD 1,000,000. This complementary funding comes from the ongoing projects listed Annex 1. The funding does not only cover programme costs but some of the costs for project operation and monitoring. In addition, PUNOs have a track record of collaboration on JPs and are currently collaborating on PFM reform as articulated in Annex 7 PFM Cycle Mapping Exercise.

The JP aims to strengthen and expand the scope of these workplans, without establishing new structures. The 2019 PFM Capacity Assessment Study by UNICEF identified the key gaps that GRSS needs to address. UNICEF stepped into the important arena of subnational capacity building, and together with UNDP, resuscitated the PDWG, which to some extent acts as a gatekeeper for new programmes, as partners collaborate and share information.

UNDP and UNICEF not only have a good track record on PFM activities, with existing dedicated PFM experts in South Sudan, they can also draw on their thematic expertise with dedicated sectoral experts in health, nutrition, education, WASH and child protection and cross-cutting aspects such as gender and local governance, and from their respective regional advisers in Kenya and South Africa.

UNDP and UNICEF have an extensive physical presence throughout the country and can also leverage the sectoral experts in field offices across all ten states to work closely with the state level counterparts – MoFP and SRAs. OHCHR, for example, has field offices in all ten states and could facilitate capacity building efforts on a human rights-based approaches to sustainable development.

UNDP and UNICEF have developed strong and trusted partnerships over many years with government, civil society and communities and have a global framework of partnership. The two respective Executive Directors issued a Joint Call for Action in 2019 to encourage greater collaboration between the two agencies at country level. The SDG Fund will be catalytic in that it complements existing and upcoming resources of the two agencies on PFM and leverages their respective expertise to help achieve multiple SDGs and capitalize on the renewed commitment of GRSS and partners following the formation of R-TGoNU on 22 February to implement the R-ARCSS and NDS.

There are strong prospects that the PUNOs which are operating under the UNCF Outcome 1 (Governance) and 3 (Social Services) will mobilize additional resources to complement the JP. Using their neutral convening powers, through the support of the RCO, the PUNOs bring together other UN agencies under the UNCF, as well as donors, IFIs and relevant Ministries such as those representing social service sectors (e.g. Ministries of Education, Health, Water, Gender, Child and Social Welfare, Agriculture).

The JP has budgeted 67 per cent (USD 1,395,537) of the total budget (USD 2,123,051) for gender equality or women's empowerment (See Annex 4 Gender Marker Matrix). The JP Output 2: 22 strengthened and gender-responsive PFM institutions at national and sub-national levels especially targeting Central Equatoria, Western Equatoria and Northern Bahr

el Ghazal states by 2022 and the activities 1.1, 1.5, 2.1, 2.2, 2.3, 2.4, 2.5, 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 3.12 (Annex 5.3 Work plan) contributes to gender equality or women's empowerment.

The training and mentoring components of the JP require contracting accommodation, catering and venue hire. The JP will use this opportunity to promote women-run businesses and ensure the providers have good employment practices, and in this way indirectly promote the SDGs.

Some of the costs for operation and regular monitoring will be covered by other complementing projects detailed in Annex 1. List of related initiatives.

The JP provides an important opportunity for the PUNOs to cooperate in financing the SDGs through a cost-effective integrated approach, and its success will build foundations for leveraging additional financing toward achieving the SDGs. A briefing on the draft JP ToC was presented to the PDWG in February 2020 to ensure other PFM actors such as World Bank, AfDB and relevant donor supported programmes (e.g. Norway, Japan) can be leveraged.

2.5 Partnerships and stakeholder engagement

Leadership by government is vital to the successful implementation of a programme of this nature. In this new government dispensation, the focus of this SDG intervention needs to be on the long-term goal of rebuilding robust finance institutions, and government-led commitment to achieving the SDGs. The JP management structure and government involvement are described in Section 3.1 (below).

In the current service delivery environment, with donors and partners providing most of the funds to run statutory social services, a strong commitment to actively building Government ownership and leadership is necessary and must underpin each interaction with all levels of the GRSS. Both UNICEF and UNDP have team members who were GRSS employees, UNDP has dedicated technical staff housed in the MoFP, and both UNDP and UNICEF are trusted GRSS partners, engaged in various programmes with the GRSS and committed to Government leadership and ownership.

MoFP Directorates of Budget will lead the JP by establishing and coordinating various stakeholders including NRA, NLA, State MoFs as well as SRAs and SLAs in Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states.

The PDWG, which was revitalized by UNICEF in 2019, acts as a mechanism for coordinating PFM partner contributions. UNICEF and UNDP as core members along with the World Bank, AfDB, UK Department for International Development (DFID), Embassy of Norway, and United States Agency for International Development (USAID), will act as an interface between the JP activities and the interventions of PFM actors. The PDWG will invite the Under-Secretary Budget and Planning, Budget Director and other key MoFP units to information sharing sessions on a quarterly basis.

Since 2012 there has been a range of ongoing partner engagements in PFM in South Sudan, including macro-economic forecasting and assessment by the IMF and World Bank, aid co-ordination and capacity building by UNDP, amendments to anti-corruption policies and laws by United Nations Mission in South Sudan (UNMISS), and support to the reform of auditing through the Norwegian Embassy.

The JP is designed around a good understanding of the various partner programmes. AfDB has an intervention focused on the Integrated Financial Management System (IFMIS). Currently, there is no functioning IFMIS in South Sudan, which is a key accountability issue. UNICEF has informally advised AfDB on their subnational experience in South Sudan, as well as IFMIS in other countries. If a new IFMIS is adopted as a result of the AfDB intervention, UNICEF would need to revise its subnational training material, and state mentors would need to be trained to support IFMIS implementation at subnational level. In addition, the Norwegian Embassy is engaged in a programme relating to accounting and auditing practices. This is an integral component of PFM and the JP will ensure logical linkages are made between its work and those of the Embassy.

The private sector is small and has diminished during the war and crisis period. It will however contribute and engage with the JP, both directly and indirectly, in a number of ways. There are three or four major IFMIS providers internationally. Indications are that the GRSS favors the use of Freebalance, a Canadian company, which provided its system to GRSS in 2012, but the user license has subsequently lapsed. Whether Freebalance or another IFMIS provider is contracted, the system can be used to support subnational PFM training. IFMIS usage and the Chart of Accounts are already a module of the UNICEF/MoFP training. Subnational budgeting is currently done using an Excel workbook; in 2019 UNICEF supported training, upgraded the programme and distributed the budget workbook to be used in 32 states as an interim measure. If an IFMIS is introduced, its budget module would replace the current Excel workbook, and UNICEF and GRSS can explore ways for the IFMIS provider to co-fund state level training.

For a compliant and transparent PFM system, internet connectivity is crucial. However, internet connectivity is virtually non-existent outside of Juba and other towns. The GRSS will address this issue through its formal licensing procedures. The reconstruction of connectivity infrastructure may provide funding opportunities. In addition, the banking system has virtually collapsed and as it is rebuilt and opens additional GRSS accounts, sponsorship and mutual support opportunities can be explored.

UNICEF currently co-leads the UNCF social services pillar and plays a cluster leadership role in Education, Nutrition and WASH, and sub-cluster for Child Protection. UNDP and UNICEF can therefore jointly advocate through multiple channels around the importance of prioritizing allocations towards social services that benefit vulnerable populations including children and women. UNICEF also supports MoGCSW under a 2019–2021 Workplan on Social Protection, which is a dedicated target under SDG 1, which includes support to the strengthening of the National Social Protection Working Group, where advocacy around budget allocations for social services can be elevated. Both UNICEF and UNDP are co-chairs of the UN Monitoring and Evaluation (M&E) Working Group under the UNCF; there are complementary initiatives of the UN M&E Working Group to support GRSS to strengthen coordination around the SDGs, specifically to establish a National SDG monitoring taskforce in 2020, with the first national meeting with the National Bureau of Statistics, Ministries, UN and civil society, to launch the process held on 10 March 2020.

The JP works in tandem with and leverages additional partner financing. This includes AfDB's programme implemented by UNDP which provides basic office equipment and training; advice on aid and debt; budgeting processes; the establishment of an NRA; and internal and external audit and IT support.

The JP will also include unique partnerships with the Global Partnership for Education (GPE) through implementing a complementary activity around the education sector PER and PETS, as well as with IBP to support the national budget transparency agenda.

Under the leadership of the RCO, UNICEF and UNDP will also draw expertise within the UN Country Team (UNCT); for example, WHO on health financing, OHCHR around human rights and UN Women around gender responsive budgeting.

UNICEF and UNDP will continue to collaborate with and draw expertise from PFM actors within PDWG, with members such as the World Bank, AfDB as well as donors such as Norway, the US and DFID. The draft ToC of the JP was presented to PDWG by UNICEF and UNDP during the February meeting for feedback.

3. Programme implementation

3.1 Governance and implementation arrangements

As indicated in the results framework (Annex 3), most JP activities will be implemented collaboratively by UNDP and UNICEF staff and their GRSS counterparts. Certain activities will be the responsibility of one of the entities based on the existing specialization areas in their GRSS workplan. The implementation mechanisms will be planned at the onset of the JP with a clear results framework detailing lines of accountability for delivery. To ensure seamless implementation, the JP will engage a coordinator, who will facilitate the activities for each PUNO (as specified in the JP results framework) as well as combined activities, and will be accountable to the JP Steering Committee. UNDP will focus on SRA capacity building, whereas UNICEF will focus on state MoFPs capacity building.

The NDS, INFF, SDSs, and Sector Plans, as well as state reporting (both performance and financial reporting) is a joint activity of both PUNOs. In addition, each PUNO will design and deliver subject specific training to state mentors, working collaboratively with their government counterpart, with, for example, UNICEF focusing on budget preparation, UNDP on revenue mobilization and facilitating development planning, OHCHR on the human rights-based approach to sustainable development, and WHO on health financing and operational planning for health. State level training will follow a similar approach, and the subnational training and mentoring visits will be based on specific times in the budget calendar and the content and implementation will be the responsibility of the specific mentor from the relevant, appropriate MDA (MoFP – budget preparation, NRA – local revenue collection etc).

The RCO will provide leadership and guidance to PUNOs through the existing UN reporting protocols. The RCO will actively participate in the project design and provide additional guidance regarding the implementation design. The PUNOs will meet at a technical level on a monthly basis and at leadership level on a quarterly basis, and provide updates to UNCT at least once a quarter and on a bi-annual basis regarding UNCF reporting.

The national and state level mentors are government officers who are already responsible for the activities covered by the JP. For example, the national budget mentors will be existing officers in the IGFR Unit and Budget Policy Unit (BPU) of MoFP. The JP results framework will plan for a diminishing input from PUNOs. In year one PUNO staff will be integrally involved in setting up state level activities, and in providing input to state training as well as to state support/follow-up visits. In the second year, PUNOs will offer technical advice and support to the state level activities, but not be directly involved. An example is the State Budget Workshop; this is a mandatory part of the budget calendar. It lapsed in 2017 and was resuscitated in 2019 with UNICEF's financial and logistical input. In 2020, UNICEF aims to ensure that the State Budget Workshops are held in ten states and will offer support where requested. However, in 2021, UNICEF will minimize its support to specific technical expertise.

At an overall level, the government, through the MoFP, MoGCSW and NRA, will lead the implementation of the JP, with strong and close support from UNDP and UNICEF. The JP will ensure close collaboration with gender and social protection actors and catalyse opportunities to improve efficiency and effectiveness by drawing in partner organizations and GRSS MDAs when appropriate. Civil society will be specifically engaged during the citizens' engagement in the budget process, in the preparation and evaluation of the budget briefs and as recipients of the PETS.

Absorption will be ensured through a range of mechanisms. From the outset, all interventions will be based on structures which were established by the GRSS and became defunct during the crisis period, including the SDPCs, State Monitoring and Transfer Committee (STMCs) and County Transfer Monitoring Committee (CTMCs). These committees were functional before 2013, and guidelines are in place to specify their composition and mandate. In addition, the state mentors had been functioning to some degree, supported by UNDP. Secondly, new guidelines or material will only be developed if none is available. For example, the State and County Budget Guidelines were in place in 2019 and UNICEF offered technical assistance to update them. Guidelines for the State Budget Workshop, SDPCs, SMTCs and CTMCs are all in place, and may need to be re-aligned with the new dispensation, but will remain based on having been already adopted and put into practice by the GRSS. The JP's goal is to revive and encourage these committees and forums to become operational and to fulfill their mandates.

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 month after the end of the calendar year (31 January), and must include the results framework, 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 JP implementation;²³ and
- *Final consolidated narrative report*, after the completion of the JP, to be provided no later than two months after the operational closure of JP activities.

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

The RCO will be required to monitor the implementation of the JP, with the involvement of the 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, as per requests of the Joint SDG Fund Secretariat. The JP will allocate resources for M&E 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 it 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, and consolidate the financial reports, as follows:

²³ This will be the basis for release of funding for the second year of implementation.

- 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, as per the request of the Fund Secretariat.

After completion of a JP, a final, *independent and gender-responsive*²⁴ evaluation will be organized by RCO. The cost needs to be budgeted, and in case there are no remaining funds at the end of the JP, it will be the responsibility of PUNOs to pay for the final, independent evaluation from their own resources.

The JP will be subjected to a joint final independent evaluation. It will be managed jointly by PUNOs as per established processes for independent evaluations, including the use of a joint evaluation steering group and dedicated evaluation managers not involved in the implementation of the JP. The evaluations will follow the United Nations Evaluation Group's (UNEG's) 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. 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 PUNO evaluation platforms or similar.

3.3 Accountability, financial management, and public disclosure

The Joint Programme will be using a pass-through fund management modality where the UNDP Multi-Partner Trust Fund Office will act as the Administrative Agent of the Joint SDG Fund through which the JP funds will be channeled. Each PUNO receiving funds through the pass-through has signed a standard Memorandum of Understanding with the Administrative Agent.

Each PUNO shall assume full programmatic and financial accountability for the funds disbursed to it by the Administrative Agent. 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 PUNOs 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 an annual basis, upon successful performance of the JP.

²⁴ How to manage a gender responsive evaluation, Evaluation handbook, UN Women, 2015

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 media 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 PUNO and partners in all external communications related to the Joint SDG Fund.

3.4 Legal context

Agency name: UNDP South Sudan

Agreement title: Basic Cooperation Agreement between the United Nations Development Programme and the Republic of South Sudan

Agreement date: 9th July 2011

Agency name: UNICEF South Sudan

Agreement title: Basic Cooperation Agreement between the United Nations Children's Fund and the Republic of South Sudan

Agreement date: 9th July 2011

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	Contact person (name and email)
Public Financial Management Project	Legal framework, structures and systems for effective management of non-oil revenue in the states and strengthened oversight mechanisms.	Strengthens non-oil revenue generation mechanisms, systems and structures at the state levels, including oversight mechanisms.	UNDP	N/A	Government of Japan	Kamil Kamaluddeen Resident Representative UNDP South Sudan kamil.kamaluddeen@undp.org Gabriel Garang Atem National Economist, gabriel.atem@undp.org
Public Financial Management Project	Modernization of unified State Revenue Authorities with a unified tax system; enhance the oversight capacities of SLAs, and; enhance stakeholder's capacity on public finance reforms in SRAs of Aweil, Jubek and Gbudue.	Supports the modernization of tax systems through installation of solar power, tax management system and internet access for communication between the NRA, SRAs and other stakeholders.	UNDP	N/A	African Development Bank	Kamil Kamaluddeen Resident Representative UNDP South Sudan kamil.kamaluddeen@undp.org Gabriel Garang Atem National Economist, gabriel.atem@undp.org
Governance and Economic Management System Project (GEMS)	Strengthened capacity of targeted national governance institutions to deliver the peace agreement.	Strengthens the capacity of targeted public financial management institutions on the national level to deliver the peace agreement, through provision of targeted technical assistance and strengthened dialogue between economic management institutions.	UNDP	N/A	Government of Norway	Kamil Kamaluddeen Resident Representative UNDP South Sudan kamil.kamaluddeen@undp.org Chrysantus Ayangafac Governance Advisor UNDP South Sudan chrysantus.ayangafac@undp.org

Citizens' Engagement and Budget Transparency on education	Public pressure to government on importance of funds for SDG 4. Citizens' including school-aged children and young people engaged in advocacy for increased allocation and spending on education	Supports the citizens' engagement and budget transparency around the Education sector	UNICEF	Global Partnership on Education (GPE)	GPE specific on education sector; other UNICEF funding sources	<p>Mohamed Ayoya Representative mayoya@unicef.org</p> <p>Hyun Hee Ban, Chief Social Policy, PME, UNICEF hban@unicef.org</p> <p>Eliaba Damundu, Social Policy Specialist, UNICEF edamundu@unicef.org</p>
Public Expenditure Review (PER), Public Expenditure Tracking Survey (PETS) on education sector	Complementary evidence on SDG4 education sector allocation and spending trends and flows generated for strengthened education sector plans	Provides evidence on the funding flows in the education sector, which is one of the key social services sector where the JP targets increased allocation and expenditures.	UNICEF	Global Partnership on Education (GPE)	GPE	<p>Mohamed Ayoya Representative mayoya@unicef.org</p> <p>Pawan Kucita, Chief, Education, UNICEF pkucita@unicef.org</p> <p>Bob Muchabaiwa, UNICEF ESARO PFM Specialist bmuchabaiwa@unicef.org</p>
Open Budget Survey (OBS)	Improved budget transparency score. Independent and comparable measure of budget transparency within the region and globally	Supports the evidence around budget transparency to help improve accountability of PFM institutions	UNICEF	International Budget Partnership (IBP), UNICEF Eastern and Southern Africa Regional Office (ESARO)	UNICEF core resources	<p>Mohamed Ayoya Representative mayoya@unicef.org</p> <p>Hyun Hee Ban, Chief Social Policy, PME, UNICEF hban@unicef.org</p> <p>Eliaba Damundu, Social Policy Specialist, UNICEF edamundu@unicef.org</p> <p>Matthew Cummins, Regional Social Policy Advisor, UNICEF ESARO mcummins@unicef.org</p>

2. Results Framework

2.1. Targets for Joint SDG Fund Results Framework

Joint SDG Fund Outcome 2: Additional financing leveraged to accelerate SDG achievement
(set the targets, if relevant)

Indicators	Targets	
	2020	2022
2.1: Ratio of financing for integrated multi-sectoral solutions leveraged in terms of scope ²⁵	2 ²⁶	3 ²⁷
2.2: Ratio of financing for integrated multi-sectoral solutions leveraged in terms of scale ²⁸	77%:33% ²⁹	75%:35% ³⁰

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

Indicators	Targets	
	2020	2022
4.1: #of integrated financing strategies that were tested (disaggregated by % successful / unsuccessful)		9
4.2: #of integrated financing strategies that have been implemented with partners in lead ³¹		6
4.3: # of functioning partnership frameworks for integrated financing strategies to accelerate progress on SDGs made operational	0	4

Joint SDG Fund Operational Performance Indicators

(do not change or add – this is for information only so that teams know what they will be assessed against)

- Level of coherence of UN in implementing programme country³²
- 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
- 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

²⁵ Additional resources mobilized for other/ additional sector/s or through new sources/means

²⁶ These two solutions represent ODA and government own resources.

²⁷ These three solutions represent ODA, government own resources, and private sector funding.

²⁸ Additional resources mobilized for the same multi-sectoral solution.

²⁹ 77% represents ODA and 33% represents government expenditure. This was set based on 2018 data – The total ODA in 2018 was USD 1.577 billion compared to the government expenditure of USD 775 million.

³⁰ This can be measured only when the data is available.

³¹ This will be disaggregated by (1) government/public partners (2) civil society partners and (3) private sector partners.

³² Annual survey will provide qualitative information towards this indicator.

- 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

No	Result / Indicators	Baseline	Target 2020	Target 2022	Means of Verification	Responsible partner
Outcome 1: 7% domestic revenue allocation increase to SDG relating essential services (SDG 1, 3, 4, 5, 6, and 10)						
1	% of allocation to essential services at the national and state levels (disaggregated by sectors [education, health and social protection] and type of funding flow [Government own resources, ODA, and Private]) - SDG 1.A; SDG 3.C; SDG 4.1; SDG 10.B; and SDG 17.3	National Level Sector 8% (FY2019/2020) Education – 5%; Health – 1%; Social and Humanitarian Affairs – 2% Type of funding flow Govt fund: USD 775 million ODA: USD 1.577 million Private financing: TBC State Level TBC at inception phase		National Level Sector 15% (Education- 8%; Health- 3%; Social and Humanitarian Affairs – 4%) Type of funding flow To be established with MoFP at inception phase State Level TBC at inception phase	National and State level budgets	UNDP/UNICEF
2	Primary government expenditures as a proportion of original approved budget (disaggregated by sector (or by budget codes or similar) and state) - SDG 16.6	1.5% as per 2019/2020 Budget Speech (FY 2014/2015 to FY2017/2018) Aggregate-30% Educ: -13% Health: -53% Hum: +42% (under-spent overspent average)		To be established with MoFP at inception phase (5% by 2022 TBC)	Budgets and expenditure reports	UNICEF

3	Number of national and subnational development policies, plans, budgets and revenue management systems that are SDG aligned, inclusive and utilize gender disaggregated data - UNCF Indicator 1.3	1		5	NDS, INFF, SDSs, Sector Plans and budgets	UNDP
Output 1.1: 15% revenue mobilization increase in Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states by 2022						
1.1.1	% increase in non-oil revenue mobilization in Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states - SDG 17.1	TBC ³³	7%	15%	Monthly SRA reports, UNDP project progress reports	UNDP
1.1.2	Number of states with State Revenue Authority act revised and enacted	0	2	3	State Legislative Assembly report	UNDP
1.1.3	Number of taxpayers registered (disaggregated by states and gender)	0		To be established with MoFP/NRA at inception phase	SRA taxpayer database	UNDP
1.1.4	% increase in the number of taxpayers submitting tax returns	0		To be established with MoFP/NRA at inception phase	SRA reports	UNDP
Output 1.2: 22 strengthened and gender-responsive PFM institutions at national and sub-national levels especially targeting Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states by 2022						
1.2.1	Number of government institutions trained at national/state level - SDG 16.6	0	7 ³⁴	22 ³⁵	Training reports, project progress reports	UNDP/UNICEF

³³ Average monthly revenue collection in 2019 in the former Jubek, Aweil and Gbudue states: Jubek: 60 million SSP, Aweil: 30 million SSP, Gbudue: 8 million SSP. New baselines will be set once the new SRAs for the larger states of Central Equatoria, Western Equatoria and Northern Bahr el Ghazal are established.

³⁴ 2020 target: Training of trainers on the national level, targeting Ministry of Finance and Planning, Ministry of Health, Ministry of Education, Audit Chamber, National Revenue Authority, Fiscal, Financial allocation and Monitoring Commission, National Legislative Assembly.

³⁵ 2022 target: targeting subnational government institutions in three states: State Revenue Authority, Ministry of Finance and Planning, Ministry of Health, Ministry of Education, State Legislative Assembly.

1.2.2	Number of government officials trained (disaggregated by national, states, and gender) - SDG 16.6	0	100 (10 per state, if possible to cover all states)	100 (10 per state, if possible to cover all states)	State Budget Workshop reports	UNDP/UNICEF
1.2.3	Gender and pro-poor aspects are included in Budget Call Circular and state budget guidelines - SDG 1.B; and SDG 5.C	No	No	Yes	Budget Call Circular and state budget guidelines	UNDP/UNICEF
1.2.4	Number of state transfer monitoring committees (TMCs) and groups established/re-established	0	1 state with Education, Health STMCs	3 states with Education, Health STMCs	STMC minutes; official government letter to activate STMCs	UNDP/UNICEF
Output 1.3: Improved transparency and coordination in the preparation of SDGs aligned national and state level development strategies by 2022						
1.3.1	Number of SDGs aligned development strategies developed (disaggregated by national and states)	1 (NDS)	0	5	NDS, INFF, SDSs, Sector Plans and budgets	UNDP
1.3.2	Number of budget reports submitted by State MoFP per year	0	2	3	State Budget Reports on MoFP website.	UNICEF
1.3.3	Number of knowledge product produced (i.e. 2 Budget Briefs per year, 3 Citizen's Budgets per year, 1 PETS & 1 PER by 2022)	2 Budget Briefs, 3 Citizens Budget (2018-2019)	1 Budget Brief, 2 Citizen Budgets	4 Budget Briefs, 3 Citizens Budget by 2022 (cumulative)	MoFP/UNICEF official website	UNICEF
1.3.4	A national dashboard to monitor state online financial and operational reporting (including on SDG related programmes)	No	Pilot dashboard designed	Fully operational	MoFP official website	UNICEF

Annex 3. Gender Marker Matrix

Indicator		Score	Findings and Explanation	Evidence or Means of Verification
N°	Formulation			
1.1	Context analysis integrate gender analysis	2	The context analysis of the JP (Page 7-8) includes a) Gender analysis across all sectors including underlying causes of gender inequality and discrimination in line with SDG priorities including SDG 5 and b) Consistent sex-disaggregated and gender sensitive data.	JP RRF Indicator 1.3.3
1.2	Gender Equality mainstreamed in proposed outputs	2	The Output 2 '22 strengthened and gender-responsive PFM institutions at national and sub-national levels especially targeting Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states by 2022' specifically target gender equality in line with SDG priorities including SDG 5. Additionally, the remaining outputs indirectly target gender equality and women empowerment.	JP RRF Indicator 1.2.2 JP RRF Indicator 1.2.3
1.3	Programme output indicators measure changes on gender equality	3	50% of the output indicators measure changes in gender equality and the empowerment of women in line with SDG targets including SDG 5.	JP RRF Indicators 1.1.3, 1.2.2, 1.2.3, 1.3.1, 1.3.3, 1.3.4
2.1	PUNO collaborate and engage with Government on gender equality and the empowerment of women	2	<p>The JP meets requirement a) and c).</p> <p>Through PFM Cycle Mapping Exercise (Annex 7), UNDP and UNICEF have consulted MoFP, NRA and SRAs and identified several gaps for gender equality and the empowerment of women which will be addressed through this JP.</p> <p>The JP contributes to substantively strengthen Government participation and engagement in gender related SDGs localization and/or implementation, as the PUNOs will be engaging with the Ministry of Gender, Child and Welfare (MoGCSW) as a key stakeholder and as part of the project steering committee and in the State Mentoring Team providing training to state-level officials. The JP will advocate for the increase of allocation to MoGCW so that women and girls will have equal and equitable access to quality services in a</p>	<p>Evidence for consultation with government agencies (Annex 7 PFM Cycle Mapping Exercise). This document outlines phases of public financial management and maps UNDP, UNICEF, OHCHR and WHO's past/ongoing interventions in South Sudan, gaps identified, proposed intervention in general and proposed activities specifically for Joint SDG Fund. This mapping exercise was done with the MoFP, NRA and SRA.</p> <p>Official Budget call Circular and State Budget Guidelines</p>

			sector. There will be a dedicated reflection of gender consideration as part of the relevant guidelines including Budget Circular and State Budget Guidelines.	JP RRF Outcome Indicator 3
2.2	PUNO collaborate and engages with women's/gender equality CSOs	2	The JP meets criterion a) and c) of the gender maker guideline: a) Through the ongoing PFM projects, UNDP and UNICEF have been collaborating with several GEWE CSOs through, for instance, Citizen's Budgets. The lessons learned from such interventions have contributed to the formulation of this project; and c) The JP contributes to substantively strengthen GEWE CSO participation and engagement in gender related SDG localization and/or implementation, by ensuring participation and engagement in the State Development Planning Committees that will formulate State Development Strategies and in citizens' engagement around the budgeting cycle and budget transparency. Relevant state-level CSOs focused on women/gender equality will be engaged.	Citizen's Budgets; Citizens' Engagement session reports.
3.1	Program proposes a gender-responsive budget	2	67% of the total budget contributes to gender equality or women's empowerment (USD 1,395,537 of the total budget USD 2,123,051).	Work plan activities: 1.1, 1.5, 2.1, 2.2, 2.3, 2.4, 2.5, 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 3.12
Total scoring		2.16		

Annex 4. Budget and Work Plan

4.1 Budget per UNSDG categories

UNDG BUDGET CATEGORIES	UNDP		UNICEF		TOTAL	
	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	42,537	0	140,985	218,051	183,522	
2. Supplies, Commodities, Materials	232,000	100,000	45,000	0	277,000	
3. Equipment, Vehicles, and Furniture (including Depreciation)	0	335,000	25,000	0	25,000	
4. Contractual services	45,000	140,000	40,000	260,000	85,000	
5. Travel	126,000	40,000	195,000	30,000	321,000	
6. Transfers and Grants to Counterparts	20,000	0	20,000	0	40,000	
7. General Operating and other Direct Costs	1,753	0	1,305	0	3,057	
Total Direct Costs	467,290	615,000	467,290	508,051	934,579	1,123,051
8. Indirect Support Costs (Max. 7%)	32,710		32,710	0	65,421	
TOTAL Costs	500,000	615,000	500,000	508,051	1,000,000	1,123,051
1st year	250,000	553,500	250,000	457,246	500,000	1,010,746
2nd year	250,000	61,500	250,000	50,805	500,000	112,305

4.2 Budget per SDG targets

SDG TARGETS			%	USD
SDG 1	1.A	1.A: Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions	16%	327,500
SDG 1	1.B	1.B: Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions	6%	112,000
SDG 3	3.C	3.C: Substantially increase health financing and the recruitment, development, training and retention of the health workforce in developing countries, especially in least developed countries and small island developing States.	6%	112,000
SDG 4	4.6	4.6 Ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy	6%	112,000
SDG 5	5.C	5.C Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels	6%	112,000
SDG 6	6.a	6.a: Expand international cooperation and capacity-building support to developing countries in water- and sanitation-related activities and programmes, including water harvesting, desalination, water efficiency, wastewater treatment, recycling and reuse technologies	6%	112,000
SDG 10	10.2	10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	6%	112,000
SDG 16	16.6	16.6: Develop effective, accountable and transparent institutions at all levels	29%	575,573
SDG 17	17.1	17.1: Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection	16%	327,500
SDG 17	17.3	17.3: Mobilize additional financial resources for developing countries from multiple sources	6%	112,000
TOTAL			100%	2,014,573

4.3 Work plan

Output	Annual target/s		List of activities	Time frame								PLANNED BUDGET				PUNO/s involved	Implementing partner/s involved
	2020	2022		6-8	9-11	12-2	3-5	6-8	9-11	12-2	3-5	Overall budget description	Joint SDG Fund (USD)	PUNO Contributions (USD)	Total Cost (USD)		
Output 1: 15% revenue mobilization increase in Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states by 2022	7%	15%	1.1 Enhance systems and procedures for PFM reporting by developing and distributing guidelines and templates									2. Supplies, Commodities, Materials	30,000	20,000	50,000	UNDP	SRA, NRA, State MoFP, MoFP
			1.2 Install IT equipment to the SRAs									4. Contractual services		90,000	90,000	UNDP	SRA
												3. Equipment, Vehicles, and Furniture (including Depreciation)		335,000	335,000	UNDP	
			1.3 Facilitate adoption of SRA act									2. Supplies, Commodities, Materials	10,000		10,000	UNDP	SLA
												5. Travel	20,000		20,000	UNDP	
			1.4 Improve coordination of tax collecting agencies on national and subnational level									2. Supplies, Commodities, Materials	20,000	20,000	40,000	UNDP	NRA
												5. Travel	30,000	30,000	60,000	UNDP	
			1.5 Taxpayer data collection and classification									4. Contractual services		50,000	50,000	UNDP	SRA
Output 1 Total												110,000	545,000	655,000		UNDP Lead	
Output 2: 22 strengthened and gender-responsive PFM institutions at national and subnational levels especially targeting Central Equatoria, Western Equatoria and Northern	7	22	2.1 Re-establish National Budget Working Group and State Monitoring Transfer Committees (STMC) and build awareness on SDG implementation within available resources.													UNICEF	MoFP (all departments); Line Ministries (SDG input)
			2.2 [National Level Training] Formulate a government led State Mentoring Team with 15 officers equipped with: (1) knowledge and status of SDGs in SS (2) NDS and alignment to SDGs;									1. Staff and other personnel	42,537		42,537	UNDP	PFM Specialist / Project Coordinator (UNDP and UNICEF Cost-shared) 18 months TA P-4 (@20,437/mo) and Project Coordinator
												1. Staff and other personnel	140,985	218,051	359,036	UNICEF	

Output	Annual target/s		List of activities	Time frame								PLANNED BUDGET				PUNO/s involved	Implementing partner/s involved
	2020	2022		6-8	9-11	12-2	3-5	6-8	9-11	12-2	3-5	Overall budget description	Joint SDG Fund (USD)	PUNO Contributions (USD)	Total Cost (USD)		
Bahr el Ghazal states by 2022			(3) updated guidelines on revenue collection and management; (4) strategic and operational planning and (5) audit procedures. Familiarize State Mentoring Team with recent (post-February 2020 onwards) (6) changes in legislation; (7) issues of transparency and accountability, including (8) legislative oversight; (9) human rights and (10) specific sector SDG implementation.														(UNDP and UNICEF Cost-shared) UNICEF PFM Specialist (50% NOC, US\$98,448 for 2 years)
												2. Supplies, Commodities, Materials	15,000		15,000	UNDP	MOFP-Planning & Budgets; additional MOFP units; National Revenue Authority; Audit Chamber; Local Govt Board; Min of Gender, Child & SW; Education, Health, National Legislative Authority; OHCHR, WHO)
												2. Supplies, Commodities, Materials	5,000		5,000	UNICEF	
												5. Travel	1,000		1,000	UNDP	
												5. Travel	1,000		1,000	UNICEF	
																OHCHR	
																WHO	
															-		
			2.3 [State Level Training] Support the State Mentoring Team to organize state level ToT trainings in Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states by involving local CSOs									2. Supplies, Commodities, Materials	20,000	10,000	30,000	UNDP	State Mentoring Team, State MoF; State DG of Finance and Administration ; SRA, state line ministries; select representation from counties
												2. Supplies, Commodities, Materials	20,000		20,000	UNICEF	
												5. Travel	20,000	10,000	30,000	UNDP	
												5. Travel	20,000	10,000	30,000	UNICEF	
																OHCHR	
																WHO	
			2.4 [State Level Training] Support the State Mentoring Team to follow up the PMF cycle process at the state level									2. Supplies, Commodities, Materials	2,000		2,000	UNDP	State Mentoring Team, State MoF; State DG of Finance and Administration ; SRA, state line ministries;
												5. Travel	20,000		20,000	UNICEF	

Output	Annual target/s		List of activities	Time frame								PLANNED BUDGET				PUNO/s involved	Implementin g partner/s involved
	2020	2022		6-8	9-11	12-2	3-5	6-8	9-11	12-2	3-5	Overall budget description	Joint SDG Fund (USD)	PUNO Contributions (USD)	Total Cost (USD)		
																	select representation from counties
			2.5 Continue the development of Planning (UNDP), Budgeting, Audit and Reporting (UNICEF) Guidelines and existing MoFP tools adjustments									2. Supplies, Commodities, Materials	20,000		20,000	UNDP	MoFP, State MoF, State Rev. Authority, State Mentors.
Output 2 Total													327,522	248,051	575,573	UNDP/UNICEF Lead	
Output 3: Improved transparency and coordination in the preparation of SDG-aligned national and state level development strategies by 2022	0	5	3.1 [National Level Engagement] Organize a consultation workshop to develop NDS and INFF (2022 - 2024) aligned to focus on SDG achievement									2. Supplies, Commodities, Materials	50,000	50,000	100,000	UNDP	MOFP-Planning & Budgets; additional MOFP units; South Sudan Relief and Rehabilitation Commission; National Revenue Authority; Audit Chamber; Min of Local Govt; Min of Gender, Child & SW; Education, Health, National Legislative Authority; OHCHR, WHO); private sector, international development partners
			3.2 [State Level Engagement] Support GRSS to hold consultative workshops to (1) Establish State Development Planning Committees and (2) Develop NDS and SDG-aligning State Development Strategies (SDS) and Sector Plans by maintaining the planning processes inclusive of donor and private sector contributions to state development.									2. Supplies, Commodities, Materials	45,000		45,000	UNDP	
			3.3 [State Level Engagement] Support GRSS to									5. Travel	10,000		10,000	UNDP	
												2. Supplies, Commodities, Materials	20,000		20,000	UNICEF	

Output	Annual target/s		List of activities	Time frame								PLANNED BUDGET				PUNO/s involved	Implementin g partner/s involved
	2020	2022		6-8	9-11	12-2	3-5	6-8	9-11	12-2	3-5	Overall budget description	Joint SDG Fund (USD)	PUNO Contributions (USD)	Total Cost (USD)		
			hold State Budget Workshops to (1) Establish the state level CMTC- County Monitoring Transfer Committee and (2) Develop state budgets									5. Travel	132,000		132,000	UNICEF	
			3.4 Produce national and state level Citizen's Budget, including SDG aligned expenditure analysis and engage with citizens and parliament members									4. Contractual services	10,000		10,000	UNICEF	MoFP, national line ministries
			3.5 Conduct budget analysis (e.g. Budget Briefs around the draft national budgets including SDG aligned expenditure analysis)									4. Contractual services	-	10,000	10,000	UNICEF	MoFP, national line ministries
			3.6 Capacity building/advocacy workshops of transparency and accountability at national and state legislatures and with budget and admin officers around the Open Budget Survey									5. Travel	22,000	20,000	42,000	UNICEF	MoFP, National Legislature, International Budget Partnership (IDP)
			3.7 Conduct a Public Expenditure Review (PER) and Public Expenditure Tracking Survey (UNICEF - PETS education)									4. Contractual services		250,000	250,000	UNICEF	MoFP, State MoF, National and state educations MDAs, national and state educations NGOs and CSOs
																WHO	
			3.8 Conduct fiscal space analysis,									4. Contractual services	25,000		25,000	UNDP	State MoF

Output	Annual target/s		List of activities	Time frame								PLANNED BUDGET				PUNO/s involved	Implementin g partner/s involved	
	2020	2022		6-8	9-11	12-2	3-5	6-8	9-11	12-2	3-5	Overall budget description	Joint SDG Fund (USD)	PUNO Contributions (USD)	Total Cost (USD)			
			exploring revenue sources, PFM practice and SDG commitments in Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states									4. Contractual services	10,000		10,000	UNICEF		
			3.9 Establish and operationalize a national dashboard to monitor state online financial and operational reporting (including on SDG related programmes) to promote good governance and strengthen institutional transparency.										3. Equipment, Vehicles, and Furniture (including Depreciation)	25,000		25,000	UNICEF	MoFP, State MoF
			3.10 Establish Governor's (and state minister's) forum on PFM - training on leadership in PFM cycle										5. Travel	10,000		10,000	UNDP	State DG of Finance and Admin, State Development Committee, Governor's office, state and local CSO
													2. Supplies, Commodities, Materials	20,000		20,000	UNDP	
			3.11 Organize Governor's exposure visit - Champions/friends of PFM										5. Travel	35,000		35,000	UNDP	State DG of Finance and Admin, State Development Committee, Governor's office, state and local CSO
			3.12 Raise awareness on PFM cycle (i.e. Budget Briefs) through citizens’ engagement events and participatory radio programme (i.e. Our Voices interactive)										6. Transfers and Grants to Counterparts	20,000		20,000	UNDP	Media
													6. Transfers and Grants to Counterparts	20,000		20,000	UNICEF	
			Output 3 Total												454,000	330,000	784,000	UNICEF Lead

Output	Annual target/s		List of activities	Time frame								PLANNED BUDGET				PUNO/s involved	Implementin g partner/s involved
	2020	2022		6-8	9-11	12-2	3-5	6-8	9-11	12-2	3-5	Overall budget description	Joint SDG Fund (USD)	PUNO Contributions (USD)	Total Cost (USD)		
Joint Operation and M&E Cost			Operation Cost									7. General Operating and other Direct Costs	1,753		1,753	UNDP	
												7. General Operating and other Direct Costs	1,305		1,305	UNICEF	
			Joint Communication, Monitoring & Final Evaluation (external)									4. Contractual services	20,000		20,000	UNDP	
												4. Contractual services	20,000		20,000	UNICEF	
Management Cost													43,057	-	43,057		
			Indirect Support Costs (Max. 7%)									Indirect Support Costs (Max. 7%)	32,710		32,710	UNDP	
			Indirect Support Costs (Max. 7%)									Indirect Support Costs (Max. 7%)	32,710		32,710	UNICEF	
Overall Total													1,000,000	1,123,051	2,123,051		

Annex 5. Risk Management Plan

Regular risk monitoring and review will be conducted to inform management decisions, enabling adaptive management and course corrections. The results of monitoring and review will be recorded and reported as appropriate and be used as a regular input to the JP and its management decisions, audits, and organizational performance.

In case of threats to organizational objectives, risk treatment will be of four types: terminate (seeking to eliminate activity that triggers such a risk), transfer (passing ownership and/or liability to a third party), mitigate (reducing the likelihood and/or impact of the risk below the threshold of acceptability), and tolerate (tolerating the risk level).

All risks are assigned with Responsible Organization/Person, the individual who is ultimately accountable for ensuring the risk is managed appropriately and executing the risk mitigating measures. Ownership is assigned based on the principle of who is 'best suited' to take accountability for managing the risk, noting that many people may need to be involved. The risk monitoring and review will be done quarterly using the risk matrix below.

Risks	Risk Level: (Likelihood x Impact)	Likelihood: Certain - 5 Likely - 4 Possible - 3 Unlikely - 2 Rare - 1	Impact: Essential - 5 Major - 4 Moderate - 3 Minor - 2 Insignificant - 1	Mitigating measures	Responsible Org./Person
Contextual risks					
Political tension and civil unrest	6	2	3	In case of a severe breakout of armed conflict, the JP activities will be relocated to other locations with a quick assessment of the target location.	PUNO, RCO
Impact of global COVID 19 health pandemic and economic	25	5	5	Institute best practice measures together with global partners to restrict health and economic impact of COVID 19, including possibility of decreased non-oil revenues in the states, affecting output 1 achievement.	PUNO, RCO
Lack of political will: In the new Unity Government, PFM reform is low on the agenda.	6	2	3	JP will continue its high-level, evidence-based advocacy for increased investment; build partner capacity at primary and community levels for scaling up integrated high impact interventions; and monitor for equitable results and document lessons to advocate with the Government and development partners for replication and sustaining investment.	PUNO, RCO

Risks	Risk Level: (Likelihood x Impact)	Likelihood: Certain - 5 Likely - 4 Possible - 3 Unlikely - 2 Rare - 1	Impact: Essential - 5 Major - 4 Moderate - 3 Minor - 2 Insignificant - 1	Mitigating measures	Responsible Org./Person
Programmatic risks					
Staff turnover in national MoFP requires reorientation of the intended project, which could delay project implementation	9	3	3	Broad based advocacy and capacity building across MoFP technical teams to ensure no disruption of project.	UNDP and UNICEF
COVID19 related travel and physical distancing restrictions makes it difficult for large workshops and monitoring of implementation at state level by core PUNO and Govt teams in Juba	12	4	3	PUNO teams in Juba will work closely with Field Offices and State MoFP and actors to ensure implementation of project; and PUNO teams will explore smaller number of participants across several workshops to observe COVID19 related GoSS procedures.	PUNO
Inadequate capacity investments by government will affect sustainability of the programme.	6	2	3	JP will closely work with the government, document best practices and lobby the Ministry to budget capacity strengthening activities including systems development.	UNICEF
Institutional risks					
Institutional resources are limited due to the emergency health and social demands created directly and indirectly by COVID19	12	4	3	PUNO's partner with lending and aid institutions to ensure PFM institutional reforms are customized to constantly changing service delivery platforms.	PUNO
Limited donor interest in supporting complementary project initiatives affecting the sustainability of the programme	9	3	3	Continue to actively update and involve the PFM donor working group on project status and advocate for importance of scaling the initiative to all 10 States after PUNO project.	PUNO, RCO
Limited and inadequate coordination	4	2	2	Close oversight will be provided through a common project	PUNO, MoFP, NRA

Risks	Risk Level: (Likelihood x Impact)	Likelihood: Certain - 5 Likely - 4 Possible - 3 Unlikely - 2 Rare - 1	Impact: Essential - 5 Major - 4 Moderate - 3 Minor - 2 Insignificant - 1	Mitigating measures	Responsible Org./Person
among PUNO members and key Government stakeholders negatively impacts the project results				coordinator (PFM consultant) as well as the Project Implementation Committee overseen by Government.	
Fiduciary risks					
Funds disbursed to implementing partners (e.g. consultants, institutions) are not managed effectively and not value for money	6	2	3	Close oversight will be provided through a common project coordinator (PFM consultant) as well as the Project Implementation Committee overseen by Government.	PUNO, MOFP, NRA
Increased levels of funding at sub-national level, intended for COVID 19 response, create disincentives for transparent PFM systems, to allow for the diversion of funds.	12	4	3	PUNO's partner with lending and aid institutions to ensure PFM institutional reforms are customized to constantly changing service delivery platforms.	PUNO
Low financial and programmatic capacity of implementing partners.	3	3	1	Assurance activities include programmatic visits, spot checks and audits. NGO profiles, previous history and prior audit reports are considered when developing partnerships. Ongoing financial management monitoring (spot checks and audits) are carried out in line with each partner's identified risk rating.	PUNO, State Mentoring Teams (MoFP)

Annex 6. SDGs and Targets

	Target	Indicator	Baseline and Target	Means of Verification
SDG 1	1.A: Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions	1.A.1: % of allocation to essential services (Education, Health and Social Protection) at the national and state levels	Baseline (2019/20 - approved allocation): <ul style="list-style-type: none"> National level: 8% Education -5%, Health -1%, Social & Humanitarian Affairs - 2 % (NDS) State level: Data not available; established after 2021 Target: <ul style="list-style-type: none"> National level: 15% State level: TBC 	Approved budgets (allocation) RRF Outcome Indicator 1 Annually
	1.B: Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions	Gender and pro-poor aspects are included in Budget Call Circular and state budget guidelines	Baseline (2020): <ul style="list-style-type: none"> National level: No State level: No Target: <ul style="list-style-type: none"> National level: Yes State level: Yes 	Approved budgets (allocation) RRF Output Indicator 1.2.3 Annually
SDG 3	3.C: Substantially increase health financing and the recruitment, development, training and retention of the health workforce in developing countries, especially in least developed countries and small island developing States.	3.C.1: % of allocation to health sector at the national and state level	Baseline 2019/20-approved allocation <ul style="list-style-type: none"> National level: 1% State level: Data not available; baseline established after 2021. Target: <ul style="list-style-type: none"> National level: 3% (Note: (15% Abuja Declaration)) State level: TBC 	Approved budgets (allocation) RRF Outcome Indicator 1 Annually
SDG 4	4.1: By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes	% of allocation to education sector at the national and state level	Baseline 2019/20-approved allocation <ul style="list-style-type: none"> National level: 5% State level: Data not available Target: <ul style="list-style-type: none"> National level: 8% (Note: 20% in Incheon Declaration) State level: TBC 	Approved budgets (allocation) RRF Outcome Indicator 1 Annually
SDG 5	5.C Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels	Gender and pro-poor aspects are included in Budget Call Circular and state budget guidelines	Baseline (2020): <ul style="list-style-type: none"> National level: No State level: No Target: <ul style="list-style-type: none"> National level: Yes State level: Yes 	Approved budgets (allocation) RRF Output Indicator 1.2.3 Annually
SDG 10	10.B: Encourage official development assistance and financial flows, including foreign direct investment, to States where the need is greatest, in particular least developed countries, African countries, small island developing States and landlocked developing countries, in accordance with	10.B.1: Total resource flows for essential services (Education, Health and Social Protection) by type of flow (ODA and Private Financing) at the national and state level	Baseline (2017/2018): National level: Govt fund: USD 775 million ODA: USD 1.577 million Private Financing: TBC State level: ODA: TBC Private Financing: TBC	OECD (National Level) RRF Outcome Indicator 1 Annually

	their national plans and programmes ³⁶		Target: To be established at project inception phase with MoFP.	
SDG 16	16.6: Develop effective, accountable and transparent institutions at all levels	16.6.1: Primary government expenditures as a proportion of original approved budget, by sector (or by budget codes or similar)	Baseline 2019/20-approved allocation National level: 1.5% State level: Not available Target: National level: 5% (to be defined in inception phase) State level: To be established with MoFP.	Budget and expenditure reports <u>RRF Output Indicator 1.3.2 and 1.3.3</u> Annually
SDG 17	17.1: Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection	% increase in non-oil revenue mobilization in Central Equatoria, Western Equatoria and Northern Bahr el Ghazal states	Baseline (2019): • National level: Proxy Measure- 18/19 LOGOSEED-US\$ 1.1Bn • State level: Not available Target: To be established at inception phase.	Report from NRA and SRA <u>RRF Output Indicator 1.1.1</u> Annually
	17.3: Mobilize additional financial resources for developing countries from multiple sources	17.3.1: Private Financing and ODA as a proportion of total national/state financial framework (i.e. INFF, SDSs, and Sector Plans)	Baseline (2018): National level: ODA: US \$ 250-350m Private Financing: TBC State level: ODA: TBC Private Financing: TBC Target: To be established at inception phase.	INFF and SDS and Sector Plans <u>RRF Outcome Indicator 1</u> Annually

³⁶ The project team may also coordinate with UN agencies such as IOM who works on the issues of remittance, as a potential source of future finance development assistance for SDGs. IOM is currently funding a study on the scale of remittances inflows and outflows of South Sudan and how these are being used by families back home whether for consumption (household needs) or production (investment) purposes. An evidence based regulatory framework is the main outcome of this project with the intention of driving the use of remittances into SDG-related investments. Currently, South Sudan's remittance cost is 9.66% the highest in Eastern Horn of Africa region.

Annex 7: PFM Cycle Mapping Exercise

This document outlines phases of public financial management and maps UNDP, UNICEF, OHCHR and WHO's past/ongoing interventions in South Sudan, gaps identified, proposed intervention in general and proposed activities specifically for Joint SDG Fund. This mapping exercise was completed in collaboration with key PFM institutions including MoFP, NRA and SRAs.

Public Finance Phase	Intervention undertaken by UNDP, UNICEF, OHCHR and WHO	Successful intervention	Gaps identified	Proposed intervention	Proposed SDG fund activity
National level Planning, Budgeting and Financing mechanisms	WHO: Development of the first Health Financing Strategy through technical assistance to MoH and in consultation with MoFEP towards the achievement of Universal Health Coverage (SDG 3.8) underpinning the SDG agenda of realizing the right to health for all	First National health financing strategy and its implementation plan developed	Weak PFM systems at the National Level impacting on planning, budgeting and budget executions resulting in poorly funded social services at the service delivery points	Strengthen PFM systems at national level in particular for MoH as a key social sector and one of the least governments funded, to implement some of the key health financing reforms aimed at improving revenue generation, pooling of funds and strategic purchasing for health.	Deploy technical expert to work with MoFEP and MoH and private sector on strengthening PFM systems at national level and implementing roll-out of key health financing reforms
			Low government budget allocation to key social sectors particularly health (current allocation is 1.1.% far below the recommended 15% - Abuja declaration) High out of pocket expenditure on health pushing many south Sudanese into poverty	Policy dialogue and Advocacy through evidence generation for increased government budget allocations to key social sectors such as the health sector which has one of the lowest allocations (1.1%)	Support policy dialogue and high-level advocacy based on evidence generated, for increased government revenue allocation to key social sectors
State Development Strategy (SDS)	No current intervention undertaken State Ministers of Finance, members of state legislature, Director-generals participate in planning sessions to reconstruct state level PFM system in 2019 as part of the needs-assessment for the national PF4C capacity building programme.	.	Most states lack State Development Strategy or Plans to guide the spending of money collected. If exists, they are often developed in a non-inclusive approach (i.e. no consultation with private sector, CSOs including GEWE CSOs, UN agencies, etc.)	Deploy technical expert to facilitate the process of developing fiscal discipline, PFM compliance and SDG-aligned SDSs.	Support the development of SDG-aligned State Development Strategies in three states (UNDP). Build Capacity in Costed Work Plans for 2021, aligned to SDS and State Budget Submission. (UNICEF/UNDP) State-level fiscal space analysis (UNICEF/UNDP)

Public Finance Phase	Intervention undertaken by UNDP, UNICEF, OHCHR and WHO	Successful intervention	Gaps identified	Proposed intervention	Proposed SDG fund activity
			State government's capacity to formulate State Development Plans limited – lack of payment of state officials leading to high degree of absenteeism on the state level.		Re-establish the SDP Committee in the first three-tier states (Aweil, Jubek and Gbudue) to ensure citizen's inclusive development of SDG-aligned State Development Plan. (UNDP/UNICEF)
State budgeting planning process	<p>UNICEF ongoing/planned: Facilitated MoFP-Budget and Planning office to develop a 'Road Map' for budget preparation, implementation, monitoring and reporting'- will be 1 component of comprehensive PFM Road Map facilitated by UNDP.</p> <p>The above PFM needs were identified in a stakeholder consultation within MoFP Units, MoFP with Social Sector Ministries (including Health, Education, Water, Gender) in 2019.</p> <p>State Budget Circular and Budget Guidelines revised and updated</p> <p>Dormant State Budget Workshops re-established, with 32+1 States covered in 2019, via a ToT approach in 3 regional workshops.</p> <p>State and National Budget Preparation System software amended, updated and distributed to 32 states</p> <p>Planned (through other WHO funding) ToT on operational planning and budgeting for the Ministry of Health</p>	N/A	<p>No state level plan and budget</p> <p>UNICEF: The UNICEF Capacity Assessment (2019) Study identified, that PFM systems and expertise at state level are comprehensive and adequate and require support in re-establishing pre-2013 standards</p>	Provide technical expertise, training and budget facilitation workshops;	<p>Support the development of state plan/budget in align with the SDS. Capacity Building for state level officers in preparing costed work plans-together with re-establishing state mentoring teams. Support State Budget Workshops (UNICEF)</p> <p>Support State annual health sector Operational Plans and Budget workshops for Health (WHO)</p>
			<p>UNICEF: (See above, knowledge and expertise is there- systems need to be re-established)</p>	Strengthen capacity of state ministries providing social services in planning/budgeting process.	<p>Strengthen capacity of state ministries providing social services on budgeting processes (i.e. health, education) (UNICEF)</p> <p>Strengthen capacity of State Ministry of Health and CHDs and partners on budgeting processes (WHO)</p>

Public Finance Phase	Intervention undertaken by UNDP, UNICEF, OHCHR and WHO	Successful intervention	Gaps identified	Proposed intervention	Proposed SDG fund activity
	Hands on training to State and CHDs and partners on operational planning and budgeting				
State budget/plan approval	<p>UNICEF: Produced draft 2018/2019 FY National Budget Brief and Education Budget Brief with key advocacy issues focused on social services sectors for use by various actors including NLA</p> <p>Produced 2019/2020 FY Citizen's Budgets (Draft and Enacted); disseminated Citizens' Budget to MoFP and NLA for use.</p>		States largely operating without approved budgets, because the national level is also operating without a budget - Existing laws not being enforced.	Facilitate policy dialogue between national and state level PFM actors. Strengthen the budgeting process at the national level ³⁷ .	Facilitate policy dialogue between national and state level PFM actors. (UNDP)
			SLA members oversight functions		<p>Strengthen training of SLA Public Account Committee members through dissemination of training materials and conducting training of trainers. (UNDP)</p> <p>Dissemination and advocacy events at NLA using Budget Briefs /Analysis around the Draft Budgets (National and social sector Briefs) (UNICEF/UNDP)</p>
State-level revenue mobilization	<p>Establishment/operationalization of State Revenue Authorities (SRAs) in six states (Aweil, Gbudue, Jubek, Torit, Gogrial and Jonglei):</p> <p>Supported the enactment of SRAs in the six states;</p> <p>Supported the appointment and training of SRA Boards in the six states;</p> <p>Trained tax officers in three states on public financial management;</p>	<p>Increased revenue collection in states where SRAs were supported: monthly revenue collection in Aweil state increased by ~275 % from 2018 to 2019 (8 million SSP to 30 million SSP).</p> <p>Functioning institutions established: enabled the SRAs to perform in accordance to their mandate through supporting their legal</p>	<p>Lack of state's ability to collect revenue throughout its territory (i.e. due to no transportation funding to tax collectors) placing adverse pressure on taxpayers in easy to reach areas;</p> <p>Delay in disbursement of resources to SRA by the State MoFP: inconsistency across states on how the the 10 percent incentive to tax collectors is provided;</p>	Continued support (trainings, tax awareness campaigns, tax collection reporting support) to the established SRAs;	Support first-tier states (Aweil, Jubek and Gbudue) in systematizing the revenue collection reporting to stakeholders. (UNDP)

³⁷ UNDP Governance & Economic Management Support project in partnership with Norway also a contribution in this area.

Public Finance Phase	Intervention undertaken by UNDP, UNICEF, OHCHR and WHO	Successful intervention	Gaps identified	Proposed intervention	Proposed SDG fund activity
	Provided office infrastructure and furniture for the six states;	<p>enactment, providing physical infrastructure and increasing the human capacity of staff.</p> <p>Evidence of increased service delivery to the people through increased revenue collection: In Torit State, using the locally raised and collected taxes, the government constructed a “Khor muss bridge” between Magwi and Torit town which links 12 counties of Torit State to Juba, Nimule, Magwi and Uganda.</p>	With some exceptions (Gbudue, Aweil), reporting on revenues mobilized to relevant stakeholders in accordance with the SRA act is inconsistent.		
	Supported the process of creating a unified tax-payer database at the National and State level;		<p>Lack of information sharing between SRAs and National Revenue Authority;</p> <p>Lack of coordination of taxation conducted by national customs authority and SRAs;</p>	Conduct stakeholder’s workshop between SRAs and NRA	Facilitate policy dialogue between national and state level PFM actors. (UNDP)
	Conducted tax awareness campaigns in the three first-tier states: radio information campaign and high-level launch of SRAs.		Taxpayer awareness about paying tax is still low in general.	Conduct tax awareness campaigns in combination with citizen’s engagement intervention. (UNDP/UNICEF)	Conduct tax awareness campaigns in first-tier states in combination with citizen’s engagement intervention. (UNDP/UNICEF)
Transfers of funds from national to state level (including to line ministries)	<p>No current intervention undertaken</p> <p><u>UNICEF planned under workplan:</u> Facilitate establishment of national and state level committees to promote PFM compliance and transparency. E.g. MoFP PFM Committee, State Monitoring Committees, Transfer Monitoring</p>	N/A	No monitoring mechanism in place for controlling funds transfers to the state level from the national level (including to line ministries).	Support the re-establishment of State and County Transfer Monitoring Committees.	Pilot the re-establishment of national and state level transfer monitoring committees (UNICEF)

Public Finance Phase	Intervention undertaken by UNDP, UNICEF, OHCHR and WHO	Successful intervention	Gaps identified	Proposed intervention	Proposed SDG fund activity
	Committees. (depending on funding availability will focus on select States for now)				
Transfer of revenue collected at the state level to National Revenue Authority	Supporting the process of selecting an ICT system for registering taxpayers and controlling revenue collection at the state and national level.		ICT procurement at national level delayed, affecting procurement activities at state level;	Strengthen dialogue between state and national level PFM actors to secure the roll-out of one single ICT system.	Facilitate policy dialogue between national and state level PFM actors. (UNDP)
			Lack of coordination between SRAs and National Revenue Authority; Policy framework for transfers from state to national level lacks clarity, enforcement and coordination.	Facilitate policy dialogue between national and state level PFM actors.	Facilitate policy dialogue between national and state level PFM actors. (UNDP)
Budget execution and reporting	No current intervention undertaken UNICEF: Piloted regional State Workshops focused on the issues of budget execution and reporting in 2019.	N/A	Even when budgets are approved, state spending happens on an ad-hoc basis to satisfy short-term needs, hindering budget execution. State government has no mechanism for monitoring budget execution.	Provide technical expertise to support states and MDAs to spend in accordance with the budget, ie. Mechanism for monitoring budget execution. Compile evidence of proper budget execution for transparent use of funds/encourage taxpayers to pay taxes.	Provide technical expertise to support states and MDAs to spend in accordance with the budget. (UNICEF) Set up a National Budget Working Group (focused on budget preparation, execution and reporting) under MoFP to coordinate with State MoFPs and social sector Ministries. (UNICEF) Continue development of Budget and Reporting Guidelines/ and existing MoFP tools adjustments (UNICEF) Compile evidence of proper budget execution for transparent use of

Public Finance Phase	Intervention undertaken by UNDP, UNICEF, OHCHR and WHO	Successful intervention	Gaps identified	Proposed intervention	Proposed SDG fund activity
					funds/encourage taxpayers to pay taxes. (UNDP)
Accountability and oversight	<p>UNICEF ongoing/planned interventions:</p> <p>Budget transparency initiatives through: Supported MoFP on participation and review of the 2017 and 2019 Open Budget Surveys (OBS), with a National Budget Transparency Workshop in 2018. MoFP and local researcher for OBS participated in a ESAR regional International Budget Partnerships (IBP), UNICEF co-hosted workshop on OBS, and developed an action plan for budget transparency; south-south exchange among MoFP & citizens' groups from 18 COs on OBS.</p> <p>Budget Directorate staff trained by IBP and GIFT (Global Initiative for Fiscal Transparency) on budget transparency in 2018. Supported MoFP produce Citizen's Budgets since 2018, MoFP and MoGEI jointly produced Budget Briefs (national and education) and launched in a National Budget Workshop in 2019.</p> <p>Planned a Public Expenditure Review (PER) and Public Expenditure Tracking Survey in Education Sector with MoFP/MoGEI to be initiated in 2020.</p> <p>Citizens Budgets and citizen's engagement to support MoP since 2018.</p>	<p>Members of Parliament's capacity to scrutinize budgets and provide oversight function has been improved: MPs in Aweil protested lack of parliament involvement in the budget formulation process in March 2019</p>	<p>Still lack of knowledge about the PFM system among SLA Public Accounts Committee (PAC) members;</p> <p>Limited knowledge about the SLAs oversight role among other PFM actors such as the State MoFP.</p>	<p>Train SLA members through dissemination of training materials and conducting training of trainers.</p> <p>Raise awareness of the importance of the oversight role of PAC members in the PFM system among other PFM actors such as the State MoFP.</p> <p>Continue budget transparency initiatives using the entry point of the Open Budget Survey (OBS) with the International Budget Partnership. 2019 OBS results will be disseminated in 2020.</p>	<p>Train SLA members through dissemination of training materials and conducting training of trainers. (UNDP)</p> <p>State PFM Compliance dashboard to monitor and promote PFM compliance from states (UNICEF).</p> <p>Develop public financial management framework at state level. (UNDP)</p> <p>Capacity building /advocacy workshops of transparency and accountability at national and state legislatures and with budget and admin officers around the Open Budget Survey (UNICEF).</p> <p>Publication of Citizen's Budget, as well as Citizens' Engagement e.g. advocacy and public engagement sessions, radio shows. (UNICEF)</p> <p>Conduct a Public Expenditure Review (PER) and Public Expenditure Tracking Survey (UNICEF)</p> <p>Conduct Public Expenditure Tracking</p>

Public Finance Phase	Intervention undertaken by UNDP, UNICEF, OHCHR and WHO	Successful intervention	Gaps identified	Proposed intervention	Proposed SDG fund activity
	<p>WHO: Conducted the first National Health Accounts for the FY2016/2017 and is planning to conduct another NHA for the FY2017/2018 & FY2018/2019 in 2020. National Health Accounts monitor the extent to which financial resources are mobilized, allocated and used in the health sector.</p> <p>OHCHR Enhancing capacity of civil society organizations to monitor the government's obligation to use the maximum of its available resources to fulfil economic and social rights; in particular on how the government generates, allocates, and spends resources in the health sector.</p> <p>Advice existing multi-donor funding mechanisms to support the Government to establish an inclusive, participatory and transparent follow-up and review mechanism to monitor track and evaluate progress of the SDG 3 at the national and sub-national levels.</p>	<p>Government substantially increases budgetary allocations for the public health sector above the current 1.2 per cent – considering that in order to meet international targets, at least 15 per cent of the fiscal year budget should be allocated to the public health sector; and to augment resources to enhance the capacities of public health facilities and health workers.</p>	<p>Weak governance and low budget credibility</p>	<p>Following a human rights-based approach conduct knowledge skill and knowledge transfer training for civil society organizations to monitor budget allocations and expenditures concerning health service deliveries</p> <p>Deploy one Human rights expert to advice multi-donor funding mechanism</p>	<p>Survey on health in collaboration with UNICEF</p>
					<p>Support organization of civil society led trainings and workshops</p>
			<p>State ministry audit system weak.</p>	<p>Strengthen internal audit capacity at state level.</p>	<p>Support deployment of human rights expert</p>
				<p>Strengthen internal audit capacity at state level.</p>	<p>Strengthen internal audit capacity at state level. (UNDP)</p> <p>Capacity building to national audit chamber (via the work on HACT) (UNICEF)</p>