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MINISTERO DELL'AMBIENTE
E DELLA SICUREZZA ENERGETICA

Joint Programme

Financing a Green, Inclusive and Sustainable Recovery

2022 Annual Narrative Report



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I. GLOSSARY

AfD - Agence Française de Développement
COP 15 – 15th Conference of the Parties to the Convention on Biological Diversity
DESA- The Department of Economic and Social Affairs
EBRD- European Bank for Reconstruction and Development
EIB – European Investment Bank
EOSG- The Executive Office of the Secretary-General
EU- European Union
FAO- Food and Agriculture Organization of the United Nations
FfDI - Financing for Development in the Era of COVID-19 and Beyond Initiative
GBF - The Kunming-Montreal Global Biodiversity Framework
GISD - Global Investors for Sustainable Development Alliance.
IFAD- International Fund for Agricultural Development
IFC- International Finance Corporation
LDCs- Least Developed Countries
MVI - Multidimensional vulnerability index
NbS - Nature-based Solutions
NZBA - Net-Zero Banking Alliance
OHRLLS - The Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States
OSCDs - The Office of the Special Coordinator for Development in the Sahel
OSGEY - The Office of the Secretary-General's Envoy on Youth
PUNO - Participating UN Organisations
SDGs – Sustainable Development Goals
SIDS - Small Island Developing States
TFND - Task Force for Nature-related Disclosures
UN DCO – United Nations Development Coordination Office
UN Global Compact – United Nations Global Compact
UN PRB – United Nations Principles for Responsible Banking (PRB),
UNCDF - United Nations Capital Development Fund
UNDP- United Nations Development Programme
UNEA - United Nations Environment Assembly
UNEP - United Nations Environment Programme
UNEP FI - United Nations Environment Programme Finance Initiative
UNFCC – United Nations Framework Convention on Climate Change
UNREDD - United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries

II. Executive Summary

Eight years since the adoption of the 2030 Agenda, the world finds itself amidst of a series of cascading crises. At the start of 2022, the COVID-19 pandemic entered its third year. The climate crisis has aggravated, pollution and biodiversity loss continue to threaten the health of the planet and people. Multiple conflicts, including the war in Ukraine are devastating lives and exacerbating the cost-of-living crisis, further intensifying volatility in global financial markets. Developing countries struggle to reduce poverty and make socio-economic progress, achieve vaccine equity and implement a green, inclusive and sustainable recovery.

The Joint Programme on Financing a Green, Inclusive and Sustainable Recovery has been supporting efforts across the UN System since 2021 to address the increasingly complex context confronting developing countries –especially LDCs and SIDS- following the COVID-19. In 2022, the Joint Programme built upon the solid foundation established in 2021, expanding strategic initiatives, keeping momentum around the Secretary-General's calls for increased and sustainable finance for developing countries, deepening engagement with a range of stakeholders, and driving results in priority countries and the Sahel sub-region.

Consistent with the objectives of the Joint programme, the G20, COP 27 and COP 15 were the locus for the Secretary-General's advocacy efforts during the period in review, drawing on his Special Envoys and Advisers, and on a new generation of tools developed under the oversight of Executive Office of the Secretary-General as foreseen under Area 0 of the Programme Document.

Significant strides were made throughout the year to deliver planned results under the programme, including for example, the release of a first draft of the Multidimensional Vulnerability Index (MVI) by the Expert Panel whose secretariat the JP supported; the creation of the Bank of Projects for the Sahel in furtherance of the United Nations Integrated Strategy for the Sahel (UNISS); the expansion of the SDG Investment platform and the support to the Food Systems Hub's ability to follow-up and support countries' efforts to implement the national Food Systems Pathways that were a key outcome of the 2021 UN Food Systems Summit.

In line with agreements reached with the Government of Italy, and despite the agreement to keep the 2022 workplan as initially planned, actions under Area 4 were implemented under the logic of an exit strategy, knowing that support to digital funding mechanisms would be discontinued in 2023.

Area 0: Ensuring the UN has the Strategic Capacity to Implement the Secretary-General's Strategy and Roadmap for Financing the 2030 Agenda

Advancement of the strategic advocacy efforts of the Secretary-General, Deputy Secretary-General, and Special Envoys¹ on key financing issues through oversight and support to platforms and initiatives established to respond to the impacts on developing countries of the global cost-of-living crisis unleashed by the COVID-19 pandemic, the climate emergency, and the Russian invasion of Ukraine (e.g., support and oversight of the Global Crisis Response Group, establishment of the Global Accelerator on Jobs and Social Protection, and advocacy around and SDG Stimulus and for reform of the international financial architecture).

Area 1: Scaling up Climate Finance

- **Adoption of the first-ever multilaterally agreed definition of Nature-based Solutions** as a foundation to establish the role of nature-based solutions and unlock nature finance.
- **Publication of initial recommendations of the High- Level Panel on Multidimensional Vulnerability Index (MVI)**
- **Establishment of the Caribbean Resilience Fund** with funding windows on resilience and debt reprofiling

Area 2: Improving the Access of Countries to Sustainable Finance

- **Increased strategic partnerships and resource mobilization in the Sahel, including the dissemination of a stronger business case for government and private sector investment** including successful resource mobilization of (USD \$2million)
- **Created the Integrated Bank of Projects in the Sahel** (15 Projects valued at USD \$390 million)
- **Improved the alignment of banking and insurance sector targets with the SDGs** through the global Net-Zero Banking Alliance and Net-Zero Insurance Alliance.
- **Launched the Principles of Responsible Banking Academy**
- **Identified USD \$1 billion in potential public-private results-based financing** for high-quality emission reductions.
- Two new financing facilities to support deforestation-free agriculture, launched in 2022.
- **Supported the operations for blended finance for deforestation-free agricultural production**, enabling investment of \$ **USD 181.1 million**.

Area 3: Accelerating Innovative and Digital Funding Mechanisms for the SDGs

- **Reached a ground-breaking agreement on nature-related disclosures** at COP15.
- **Developed citizen-centric digital finance solutions in Bangladesh**, serving as a blueprint for future innovations.

Area 4: Channeling Private Investment to the SDGs

- **Expanded the Global SDG Investor Platform** to facilitate engagement of investors with SDG-oriented investment opportunities.
- **Convened two SDG Investment Fairs** to showcase country-level SDG Investment opportunities.
- **Opened a technical window** to enhance country-level capacities to create and structure bankable projects in Kenya.

Area 5: Supporting Food System Transformations in support of the SDGs

- **Provided technical capacity to support the establishment of the UN Food Systems Coordination Hub** to strengthen national pathways for food systems transformation.

III. Introduction

In 2021, the United Nations and the Italian Ministry of Environment and Energy Security (previously Ministry of Ecological Transition) established a Joint Programme on Financing a Green, Inclusive and Sustainable Recovery.

The Joint Programme has sought to catalyze the synergies between the priorities of the Government of Italy and the United Nations, to harness the power of the global financial system in support of the 2030 Agenda for Sustainable Development and the Paris Agreement, particularly in light of Italy's key role in advancing the Financing for Development Agenda as the President of the 2021 G20, co-host of UNFCCC COP26, and host and champion of the 2021 United Nations Pre-Summit and Summit on Food Systems.

Since 2021, the Joint Programme has played a critical role in carrying forward the Secretary-General's Strategy for Financing the 2030 Agenda for Sustainable Development. The impact of the COVID-19 pandemic, the climate emergency, and the ongoing war in Ukraine, have only increased the urgency and importance of the contribution that this Joint Programme is making to address financing, nature-based solutions, food security and food systems transformation, and public-private partnerships, particularly in small island developing states (SIDS), the least developed countries (LDCs), and Africa, in particular the Sahel, which continue to be disproportionately affected by these multiple cascading crises.

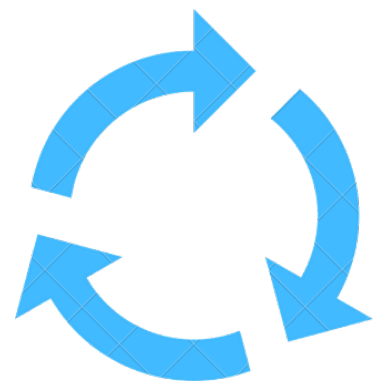
As the Joint Programme entered its second year, developing countries were faced with an even greater challenge in mobilizing sufficient financing to meet immediate needs and recover from a once in a generation cost-of-living crisis caused by the trifecta of the pandemic, the climate emergency, and the Russian invasion of Ukraine, and deepening debt, and also ensure a long-term sustainable, green and inclusive recovery.

In response, the UN Secretary-General called for an acceleration of investments in the SDGs and concrete efforts to reform the international financial architecture to support a sustainable, resilient, and inclusive future, as outlined in Our Common Agenda.

The Joint Programme continues to respond to this call and is guided by the following theory of change:

Theory of Change:

If the United Nations system, in collaboration with partners, harnesses the power of financial systems, facilitates access of developing countries to sustainable finance, leverages climate and digital finance, with a focus on small island developing states, least developed countries, Africa, and in particular the Sahel, **and** transforms food systems in alignment with the Sustainable Development Goals, **then** Member States will have the capacity to foster a green and inclusive recovery from the COVID-19 crisis, consistent with the 2030 Agenda for Sustainable Development and multilateral environmental agreements, including the Paris Agreement.



Participating Agencies:

To deliver this change, the Joint Programme catalyzes work by various United Nations entities, agencies, funds and programmes to enhance coherence and collective results. In 2022, the participating United Nations organizations were: the Executive Office of the Secretary-General (EOSG), the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the Department of Economic and Social Affairs (DESA), the United Nations Capital Development Fund (UNCDF), the Office of the Special Coordinator for Development in the Sahel (OSCDs), and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS). At the end of 2022, the Food and Agriculture Organization of the United Nations (FAO) and the Office of the Secretary-General's Envoy on Youth (OSGEY) became official Participating UN Organisations (PUNOs) to the Joint Programme.

This 2022 Annual Narrative Report presents and contextualizes results and milestones of the various activities undertaken as part of the Joint Programme in a coherent way, showcasing the results achieved through the investment made by the Italian Ministry of Environment and Energy Security.

Annex 1 contains a Monitoring Tool to showcase the Joint Programme results according to the agreed set of indicators. It is further complemented by the 2022 Annual Financial Report, provided separately by the Multi-Partner Trust Fund Office (MPTFO) in its role as administrative agent of the Joint Programme.

IV. 2022 Results of the Joint Programme:

Area 0: Strategic capacity to implement the Secretary-General's financing strategy.

The overall Joint Programme outcome (Area 0) supports the Secretary-General's Strategy for Financing the 2030 Agenda for Sustainable Development. In 2022, the Joint Programme enabled EOSG to perform a stock-take of the outcomes of the Secretary-General's 2018-2021 Financing for Development Strategy, and build upon its achievements to define the Secretary-General's follow-on strategy for financing for development to respond to the global impacts of new, unexpected crises—such as the war in Ukraine and related cost-of-living crisis, and deepening debt, aligned with the key priorities identified in the Our Common Agenda (OCA) Report.

The Joint Programme enabled the Executive Office of the Secretary-General (EOSG) to support the strategic advocacy of the Secretary-General, Deputy Secretary-General, and Special Envoys¹ on key financing issues and make progress in advancing a green, inclusive and resilient recovery through inputs into key initiatives such as the Global Crises Response Group, which sought to mobilize solutions and develop strategies to enable policy makers to address the interlinked crises in food, energy and finance, through the publication of relevant policy papers.

The Joint Programme enabled EOSG to develop a tool-box of policies and recommendations, such as the [Secretary-General's Policy Brief on the SDG Stimulus](#) launched in February 2023, which seeks to support developing countries in attaining the financing needed to invest in long-term sustainable development, climate action, and just transitions for all.

With capacity support from the Joint Programme, EOSG supported the promotion of a green, inclusive, and sustainable recovery through its continued support to outcomes of the Financing for Development in the Era of COVID-19 and Beyond Initiative (FfDI). Specifically, it supported the elaboration of the Global Accelerator on Jobs and Social Protection for Just Transitions, which seeks to promote an integrated approach to universal social protection and decent job creation in charting countries' efforts towards renewable energy, food systems transformation and green economies. Taken together, support from the Joint Programme enabled EOSG to facilitate the development of a tool-box of policies and leverage key milestones in pursuit of a financial architecture that enables a green, inclusive and resilient recovery.

Area 1: Scaling Up Climate Finance

1.1 Addressing SIDS vulnerabilities through enhanced access to sustainable development and climate finance

The Joint Programme continues to address SIDS vulnerabilities and assist the efforts of small island developing states (SIDS) to gain access to the concessional financing required to reduce vulnerabilities to external shocks, improve long-term national planning, service debts, and access insurance and compensation schemes by supporting the work on the Multidimensional Vulnerability Index (MVI) and the development of innovative financing mechanisms.

Advancing the development of the Multidimensional Vulnerability Index (MIV)

Through the Joint Programme, UN- OHRLLS has provided strategic and technical support to promote the development and adoption of a Multidimensional Vulnerability Index through the High-Level Panel on Multi-dimensional Vulnerability Index (MVI).

In August 2022, the High-Level Panel published its interim report with initial recommendations for the development of the MVI. The High -Level Panel was granted a six-month extension to fulfil its mandate. The final report is now expected for release in June 2023.

Supporting Global Advocacy on Increased Financing for SIDS and uptake of the MVI

With the support of the Joint Programme UN-OHRLLS has continued to drive awareness and recognition of the urgency for climate action required by Small Island Developing States by coordinating and facilitating high-level events and bilateral engagement, including:

- **Hosting a dedicated event on the margins of the High-Level Political Forum**, which advocated for the international consensus on the uptake and use of the MVI.
- **Participating in several events at COP27 to drive awareness and recognition of the urgency for climate action required by Small Island Developing States**, including:
 - a high-level event on Loss and Damage organized with the Alliance of Small Island States entitled [Less Division, More Ambition: High-Level Dialogue on Loss and Damage in Small Island Developing States](#)
 - Bilateral meetings with partners on the Multidimensional Vulnerability Index,.

Establishment of the Caribbean Resilience Fund (CRF)

The Joint Programme enabled OHRLLS to support the United Nations Economic Commission for Latin America and the Caribbean (ECLAC) in the establishment of the Caribbean Resilience Fund (CRF), starting in three pilot countries - Antigua and Barbuda, Saint Lucia and Saint Vincent and the Grenadines.

The Fund will focus on the following funding windows:

- **Resilience building** to include inter alia: energy security, pooled insurance, water security, food security and tourism.
- **Debt reprofiling** to include green bonds, new debt issue guaranteed by DFIs, maturity of debt extended, and service reduced to 50%, and parametric insurance in the event of a disaster.

It is expected that each window will offer a range of instruments to meet the needs of member states, including blended finance, concessional finance for agriculture and food security, as well as green bonds for renewable energy. In 2023, the focus will be on capitalization of the fund, formation of technical working groups and the establishment of a legal and regulatory framework to govern operations of the fund.

1.2 Accelerating the Nature-Based Solutions Movement

Given their potential to deliver a wide range of socio-economic benefits and services while also combatting climate change and addressing biodiversity loss, Nature-based Solutions (NbS) are increasingly seen as a way to meet the objectives of several global agreements.

With the help of the Joint Programme, UNEP has continued to elevate the NbS narrative at global, regional and national levels through technical support, capacity building, the production of scientific and evidence-based knowledge products and strategic advocacy and stakeholder engagement.

Reaching the multilaterally agreed definition of NbS

The Joint Programme enabled UNEP to provide technical support to inform the preparation of the United Nations Environment Assembly (UNEA) Resolution on Nature-based Solutions (NbS), which led the first multilaterally agreed definition of NbS, defined as “*actions to protect, conserve, restore, sustainably use and manage natural or modified terrestrial, freshwater, coastal and marine ecosystems, which address social, economic and environmental challenges effectively and adaptively, while simultaneously providing human well-being, ecosystem services and resilience and biodiversity benefits.*” With this recognition and a formal definition, it is expected that the support provided by the Joint Programme in 2021 and 2022 to establish a definition of NbS will help unlock flows of financing for their operationalization at scale, including as part of climate finance commitments.

Nature-based Solutions defined across the multilateral system as

“actions to protect, conserve, restore, sustainably use and manage natural or modified terrestrial, freshwater, coastal and marine ecosystems, which address social, economic and environmental challenges effectively and adaptively, while simultaneously providing human well-being, ecosystem services and resilience and biodiversity benefits.”

Bringing Nature-based Solutions to the forefront of discussions

With the support of the Joint Programme UNEP is convening intergovernmental consultations on NbS as per the UNEA-5 Resolution, which will provide opportunities to build on the understanding of NbS, promote best practices and address key issues and driving recognition and advocacy for NbS in key intergovernmental spaces, including the UNEA-5 Ministerial Declaration, G7 Leaders Communique, G7 NbS Workshop, G20 Bali Leaders Declaration, UNGA, COP27 and COP15.

UNEP convened a Leadership Dialogue on “Strengthening actions for nature to achieve the Sustainable Development Goals”, with participation of the Deputy Secretary-General.

Driving finance and policy efforts towards Nature-based Solutions

UNEP provided substantive analytical work and made the case for policy and financing decisions in support of NbS including: [Nature-based Solutions: Opportunities and Challenges for Scaling Up](#), and [Decent Work in NbS](#) which has complemented the work under Area 3 (Task Force for Nature Related Disclosures) and is expected to drive increased financing commitments from both the public and private sector.



Area 2: Improving Access to Sustainable Finance

In 2022, the efforts of the Joint Programme improved developing countries' access to sustainable finance by providing technical and operational support to financing facilities and mechanisms that promote investment in nature-based solutions and will enable the financial system to deliver sustainable global economies.

2.1 Maturation of the Net-Zero Banking Alliance and Net-Zero Insurance Alliance and Online Learning Platform and Academy.

The support of the Joint Programme enabled the UNEP Finance Initiative (UNEP-FI) to expand its capacity building efforts with financial institutions to set and deliver on ambitious targets aligned with the SDGs and objectives of the Paris Agreement, under the Principles for Responsible Banking (PRB) framework.

Strengthening capacity to deliver on ambitious targets

UNEP-FI built the capacity of the 126 banks representing USD 73 trillion (41% of global banking assets) across 41 countries, within the Net-Zero Banking Alliance (NZBA) to set and deliver on their implementation of net zero emissions across banking portfolios. This was achieved through a range of capacity building activities, which the Joint Programme supported. The UNEP-FI Target Setting Capacity Building Programme reached more than 1000 participants¹ in partnership with regional organizations as WWF, Basel Agency for Sustainable Energy, Platform for Carbon Accounting Financials and Sitawi. The programme was developed through a series of activities, including country analysis, practical demonstration of the use of tools, knowledge sharing, webinars, workshops, one-on-one technical assistance, exercises for hands-on practical learning, and peer-to-peer knowledge exchanges.

Publication of Inaugural Net-Zero Banking Alliance (NZBA) Progress Report at COP27

The report detailed the intermediate 2030 decarbonization targets from over 60 member banks. The Report also put forward the NZBA's wider vision for creating a predictable and enabling policy environment to accelerate the net-zero transition.

Launch of UN Principles for Responsible Banking Academy

In order to continue building capacity of the Banking community to align bank strategies with the SDGs and the Paris Agreement, through implementation of the UN Principles for Responsible Banking (PRB), the Joint Programme contributed to the establishment of The Principles for Responsible Banking Academy, launched jointly by UNEP FI, the Chartered Banker Institute, and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).

¹ Countries include: Argentina, Bahrain, Belgium, Brazil, China, Colombia, Costa Rica, Dominican Republic, Ecuador, Egypt, El Salvador, Ghana, Guatemala, Hong Kong, Indonesia, Kenya, Latvia, Malaysia, Mauritius, Mexico, Mongolia, Montenegro, Morocco, Nicaragua, Nigeria, Panama, Philippines, Puerto Rico, Singapore, South Africa, Thailand, Togo, Trinidad and Tobago, Turkey, UAE

The Principles for Responsible Banking Academy and e-learning platform enables the mainstreaming of all training on responsible banking.

The Academy offers four online modules:

- Getting Started in Responsible banking,
- Climate Change,
- Clients & Customers,
- Responsible Banking for Board Members and Executives.

The curriculum was created in consultation with banks to ensure contents are addressing their learning needs and designed to effectively upskill large numbers of employees.

Technical capabilities were based on new resources launched in 2022 and providing practical guidance: [Impact Protocol](#), [PRB case studies](#), [Foundations of Climate Mitigation Target Setting](#), [NZBA Transition Finance Guide](#), [Supporting Notes for Climate Targets](#), [PRB Guidance on Financial Health and Inclusion 2.0](#). A review by UNEP FI's Secretariat of 200 banks' reports found that 70% have set targets for at least one significant impact area; in which 80% is related to climate. In addition to that, in 2022, NZBA members, with 126 banks representing USD73 trillion (41% of global banking assets) across 41 countries, are now committed to net zero emissions across banking portfolios and under the Alliance, many of them also participated of the capacity building programme to support their implementation.

In the area of insurance, the Net-Zero Insurance Alliance (NZIA) convened by UNEP FI launched a public consultation on the Alliance's first Target-Setting Protocol, which builds on the first-ever global accounting standard to measure greenhouse gas emissions associated to insurance portfolios ("insurance-associated emissions") developed by the Partnership for Carbon Accounting Financials (PCAF) in collaboration with UNEP FI. The NZIA Target Setting Protocol was launched in January 2023. **30 insurers and reinsurers representing approximately 15% of world premium volume globally are now committed to transitioning their underwriting portfolios to net zero by 2050.**

2.2 Scaling finance to implement forest-based solutions through UN-REDD

Actions to protect, sustainably manage and restore forests can deliver cost-effective climate change mitigation at scale. These actions can also reverse declines in biodiversity and enhance resilience to climate change. Indigenous Peoples and local communities (IPLCs), recognized as the most effective stewards of forests, often play a key role in achieving these outcomes. Forest-based actions can make an essential contribution to meeting the ambition of the Paris Agreement and support a green transition with potential to provide nearly 27% of the solution to help avert climate catastrophe, yet they receive just 3% of public climate financing.

With support from the Joint Programme, the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries ([UN-REDD](#)), provides expertise on forests and climate to reduce forest emissions and enhance forest carbon stocks in order to foster a green, inclusive and resilient recovery.

Increasing country level access to results-based financing for high quality carbon emission reductions

As a contribution to green, inclusive and sustainable recovery in six countries - Democratic Republic of Congo (DRC), Ecuador, Ghana, Uganda and Viet Nam - the UN-REDD Programme continued to scale-up climate finance and supported access to over USD 1 billion of potential public and private results-based financing (RBF) for high-quality forest-based emission reductions. In addition to direct support to DRC, the RBF lessons learnt in these pioneer countries are being applied to other LDCs supported by UN-REDD – notably Cambodia, Ethiopia, Lao PDR, Nepal, Uganda and Zambia – as they move towards RBF opportunities for forest-based climate mitigation results.

Aided by the Joint Programme, UNEP was able to provide technical assistance and support to these countries to meet the relevant safeguards requirements to access results-based financing from the Lowering Emission by Accelerating Forest Finance ([LEAF](#)) Coalition. In 2022, Costa Rica, Ecuador and Nepal signed memorandums of agreement (MOAs) with the LEAF Coalition to outline a clear roadmap and timetable for the signing of binding Emissions Reduction Purchase Agreements (ERPAs) by the end of April 2023.

Implementation of the public-private 'Green Gigaton Challenge'

Despite widespread recognition that we need forests to fend off the worst of the climate crisis, financing for forest-based solutions has been insufficient and slow.

The Joint Programme supported UN-REDD's leadership in the Green Gigaton Challenge, which supports developing countries in their efforts to access sustainable finance. The Green Gigaton Challenge, a public-private partnership created to mobilize funding for one gigaton of high-integrity emission reductions from forest ecosystems by 2025, based on the carbon-credit system. To increase financial commitments for emissions reductions from forests, the Green Gigaton Challenge² set a goal of mobilizing funds to pay for the equivalent of one gigaton of high-integrity emissions reductions from forests between 2020-2025, and yearly thereafter.

The gigaton milestone is an essential tool in measuring progress towards climate and nature goals, and recognizes politically, States' contributions to climate action, through their natural resources, such as tropical forests as the lungs of our planet, in addition to creating supplementary channels of wealth redistribution.

Improving the Integrity of Voluntary Carbon Markets through Core Carbon Principles and Assessment Framework

Finally, as part of the efforts to increase the social and environmental integrity in voluntary carbon markets, the Joint Programme enabled UNEP to provide technical expertise to the Integrity Council for Voluntary Carbon Markets (IC-VCM) through a staff secondment.

The IC-VCM initiative seeks to set and enforce global threshold standards for carbon markets that are based on the latest institutional understanding of the climate crisis, founded on robust scientific

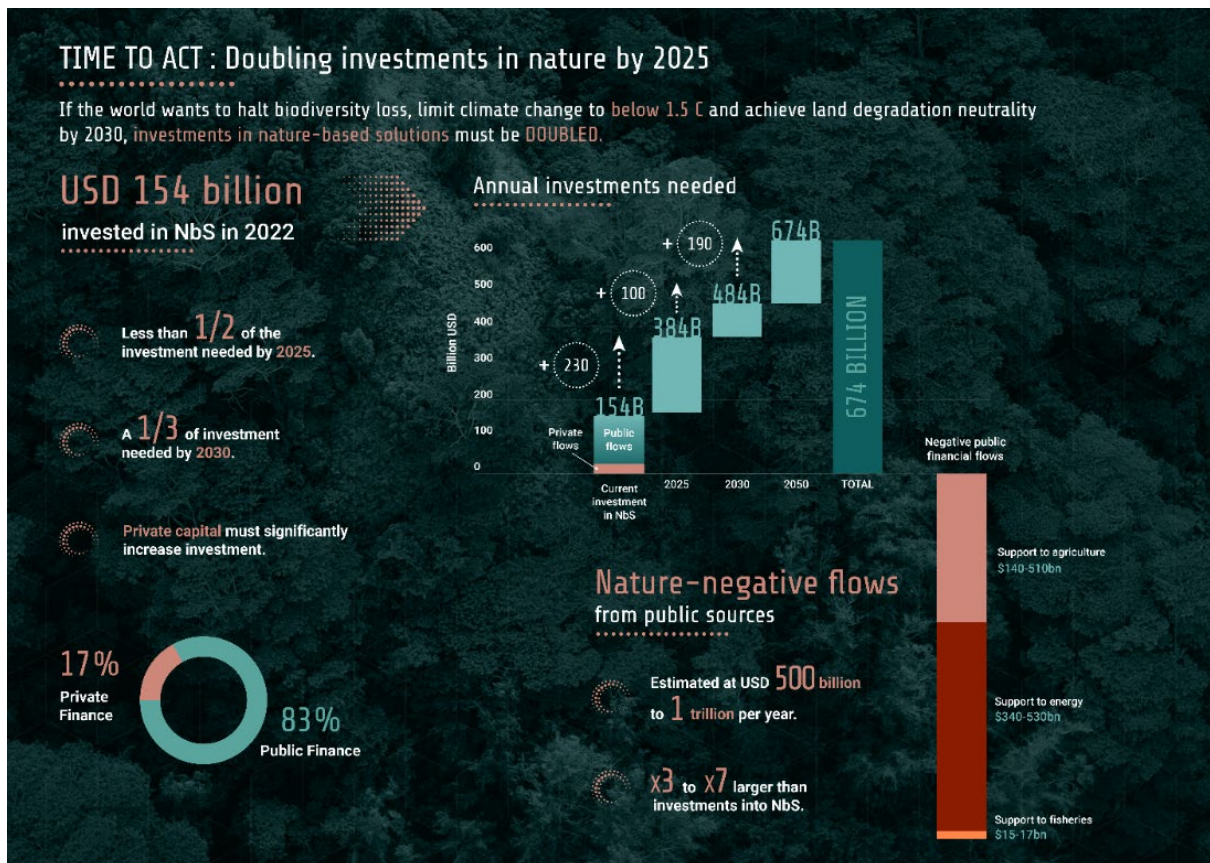
²The Green gigaton challenge is a coalition of public, private and philanthropic partners looking to catalyse funds to transact one gigaton of high-quality emissions reductions from forest-based climate solutions by 2025 and annually after.

evidence. It also develops a governance model to implement the carbon credit market, based on instruments to ensure monitoring, compliance and transparency. In 2022, the IC-VCM laid out its Core Carbon Principles and an Assessment framework to define high-quality carbon credits, laying the foundations for the development of the emerging carbon market.

2.3 Launch of Blended Financing Facilities to Scale public/private Finance for Deforestation-free Agricultural Commodity Production

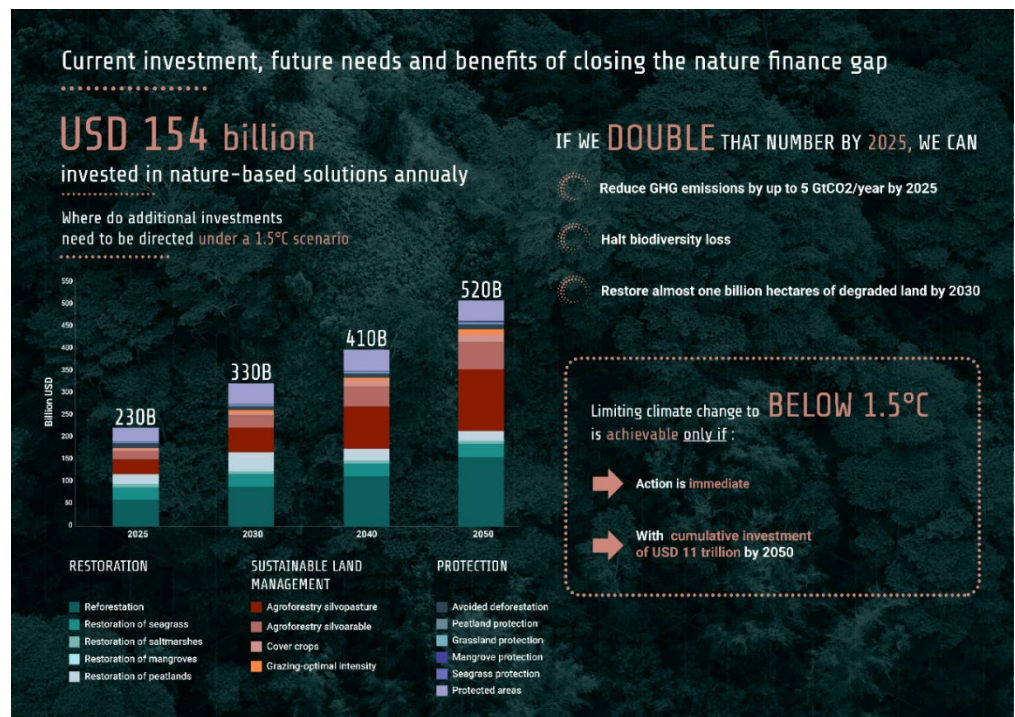
We will not achieve the targets in the Paris Climate Agreement nor the Sustainable Development Goals (SDGs) unless we systematically and fundamentally transition to a different land use models that better balances the need to scale up food production for an estimated 9 billion people by 2050, whilst halting the loss of more than 7 million ha of tropical forests and stepping up climate mitigation and adaptation. Therefore, catalyzing finance and investment for developing countries by leveraging public climate funding to unlock and scale up private finance in key agricultural commodity value chains is critical. This is especially important in supporting developing countries, particularly in the Sahel region, LDCs and SIDS, in their green, inclusive, and sustainable recovery.

Building on the Joint Programme support, UNEP has been working with key partners to set up various finance facilities and scale investments for deforestation-free agricultural commodity production.



Technical expertise and capacity building provided for new Financing Facilities:

With support from the Joint Programme, UNEP provided technical expertise and capacity building support, which enabled the establishment of two new financing facilities in 2022, the **Responsible Commodities Facility (RCF)** and the **Tropical Landscape Grant Fund**.



The Responsible Commodities Facility (RCF) launched its Cerrado Programme with USD \$11 million in capital. The RCF will provide finance to 36 farms, located in the Cerrado region of Brazil, producing 75,000 tons of soy per year, resulting in the conservation of around 11,000 ha of native vegetation, 4,200 in excess of legal reserves. **The Tropical Landscape Grant Fund** was established and operationalized by UNEP with initial funding of 4.8 million Canadian Dollars. The Grant Fund provides technical assistance and co-fund early-stage development costs to support pipeline and project development for sustainable land use projects in Indonesia.

The Joint Programme also enabled UNEP to support the operations of three other blended finance facilities (The &Green Fund, the AGR13 fund and the Restoration Seed Capital Facility), which invested USD 181.1m in climate friendly agriculture projects in 2022. Lessons learnt from the operationalization of these Funds will underpin scoping and feasibility assessments for new finance facilities for developing countries, especially in the Sahel, LDC and SIDS.

Developing enabling regulatory frameworks and policy recommendations to drive private investment.

With the support of the Joint Programme, UNEP is creating long-term enabling environments to increase private investment for nature- and climate-positive commodity production. UNEP is engaging governments in providing policy options, including through (agricultural) fiscal policy reform, as well as work with partners to produce data, knowledge and investment trends in financing in nature which are instrumental in supporting a green, inclusive and resilient recovery, particularly in priority countries such as the Sahel, SIDS and LDCS.

2.4 Deepening the Impact of the Office of the Special Coordinator of the Sahel

Strengthening Strategic Partnerships and delivering on Resource Mobilization targets

Through the funding provided by the Joint Programme, the Office of the Special Coordinator for Development in the Sahel (OSCDS) has increased the resource mobilization and strategic partnerships needed to accelerate investment in the Sahel.

In 2022, the office established a number strategic partnerships, which led to additional funding for the Sahel of \$2 million (The Government of South Korea, \$1 million USD and the African Development Bank's office of Transition States Coordination \$1 million USD).

Establishment of an Integrated Bank of Projects

The Joint Programme enabled OSCDS success in establishing an Integrated Bank of Projects in the Sahel in line with the emerging needs of the populations and the priorities of Member States. In 2022, the Integrated Bank of Projects contained 15 vetted projects/programmes, covering the three strategic pillars of the United Nations Integrated Strategy for the Sahel (UNISS) and six priority areas of the United Nations Support Plan for the Sahel (UNSP), approximating \$390million.

Shifting Narratives and Perception to drive deeper investment in the Sahel

The Joint Programme is facilitating a shift in the narrative and perception of the Sahel - beyond the prevailing doxa of crisis to also embrace the region's richness and opportunities through a robust and compelling discourse and advocacy strategy

OSCDS established a platform for dialogue and exchanges with International NGOs working in the Sahel on humanitarian, development and political issues in order to advance joint advocacy and partnerships on the humanitarian- development and peace nexus. OSCDS has succeeded in elevating collaboration across humanitarian, development and peace actionby promoting the design of "integrated projects" across multiple UN agencies. These projects are captured in an Integrated Bank of Projects and success stories are disseminated through social media, and referred to by partners, which helped to shift the narrative on the Sahel.

Progress Reports and lessons learnt in the implementation of the UNSP are documented to ensure that Sahel performance and good practices inform and contribute to global frameworks.

OSCDS has commissioned studies and research to generate knowledge, evidence, and data for the Sahel region, including the (i) Sahel Vision Paper Towards transformational change in the Sahel - managing the transitions; (ii) Sahel Predictive Analysis; and (iii) [the 5W ³Mapping of the United](#)

³ The 5Ws refers to "Who does What, Where, When, and for Whom in the Sahel". The detailed report can be found here: [The 5W Mapping of the United Nations Geographic and Operational Presence in the Sahel Region](#)

[Nations Geographic and Operational Presence in the Sahel Region](#). The UNISS Steering Committee noted that global interest in the Sahel has increased considerably, opening new opportunities for partnership and financing for the Sahel. The OSCDS supported the integration of the UNISS into the new UN Cooperation Frameworks of Nigeria, Niger, and Cameroon, and within the Common Country Analysis of Senegal, Chad, Mauritania, Guinea, Niger, Nigeria, Cameroon, and Gambia.



Picture of the 13th UNISS Steering Committee Meeting in Ndjamena, Chad from 5-6 May 2022.

The Empowerment of Youth and Women for Climate Action, Peace and Security in West Africa and the Sahel

OSCDS successfully convened a side event at COP 27 with a focus on Empowerment of youth and women for climate action, peace and security in West Africa and the Sahel”. The event showcased innovative solutions led by youth and women in the subregion and resulted in (a) an outcome report; (b) a statement addressing the interconnected objective of addressing climate change and building peace; (c) identification of priority support needed to national governments, regional organizations, and the UN system in these efforts; (d) energize a new commitment by ECOWAS and the African Union to scale up climate-peacebuilding financing, including the Great Green Wall initiative; (e) emphasize the importance of promoting local knowledge and solutions, and (f) adopt gender-sensitive approaches.

Area 3: Accelerating Innovation and Digital Funding Mechanisms for the SDGs

The Joint Programme supported the acceleration of innovative mechanisms to finance the SDGs, with a particular emphasis on themes related to nature-related risks and digital solutions

3.1 Scaling the Impact of the Taskforce for Nature Related Financial Disclosures

By providing companies and financial institutions with the tools to identify, assess, manage, and disclose their nature related impacts, dependencies, risks and opportunities, the Taskforce for Nature Related Financial Disclosures (TFNDs), led by UNDP, has provided companies, investors and other stakeholders with more precise information to overcome the global challenge of nature loss. It steers business models and practices away from their destructive impacts on nature, and pushes companies and financial institutions towards more nature friendly outcomes and business outputs.

Joint Programme support enabled support to local and indigenous community dialogue (through IUCN), delineation of priorities for private sector engagement and further support on awareness raising of nature-related disclosures.

The support of the Joint Programme and the results achieved by the TFND led to an additional commitment of EUR 29 million from the Government of Germany, through the International Climate Initiative (IKI), to support the up-scaling of the TFND Framework, demonstrating the catalytic effect of the investment of the Italian Ministry through this Joint Programme.

The Global Biodiversity Framework - A Groundbreaking Agreement on Nature-related Disclosures

Building on the TFND Framework established by UNDP under the Joint Programme in 2021, the work of UNDP in 2022 led to increased advocacy and stakeholder engagement, which contributed to in the ground-breaking agreement on nature related disclosures during COP15 in Montreal.

The Kunming-Montreal Global Biodiversity Framework (GBF), adopted during COP15 in December 2022 in Montreal, opened a new era for nature action, including through nature finance. The GBF is structured around a shared vision of living in harmony with nature supported by four goals for 2050 and 23 interim targets to 2030. Target 15 calls for companies and financial institutions to regularly monitor, assess, and disclose their risks, dependencies and impacts on biodiversity. Given that the assessment of nature-related risks is a new development, the TFND Framework provides local and global financial standard-setting bodies with an authoritative blueprint to consider the monitoring and assessment of businesses and finance on nature conservation.

The International Sustainability Standards Board (ISSB) for example, announced that it will take into account the work of the TFND when incorporating nature and biodiversity protection into its future standards development.

At COP 15, the TFND also convened a series of nature metrics labs and other briefings to raise awareness, broaden the scope of the discussion on nature-related finance, and showcase the latest developments stemming from technology and data. The convenings attracted over 1000 participants in person and online, which confirmed the demand from the private sector. Following COP15, more companies and investors are seeking to integrate nature and biodiversity considerations as part of

their investment, risk assessment and strategic planning, acknowledging that the risks of not doing so would largely outweigh the costs.

Launch of the second and third iteration of the TNFD Beta Framework

With support from the Joint Programme, UNDP provided technical expertise to the TNFD Secretariat to support the development of the second and third iteration of the TNFD Beta Framework, which provided for a more granular and sophisticated set of standards. The Joint Programme facilitated the socialization of the second and third iteration Frameworks among nine stakeholder groups through bilateral discussions, in-person flagship events and virtual sector-specific panels. Key [lessons and recommendations](#) from the first pilot test of the TNFD framework related to the definition, alignment and closure of data gaps was made available on the Global Canopy website.

As part of the third (v0.3) iteration, knowledge products⁴ were developed with funding from the Joint Programme and have been placed in the [Knowledge Bank of TNFD](#), available for public access, including on materiality, choice of metrics, data, focusing on priority sectors (finance, agriculture, forestry, infrastructure, blue economy).

Key trade media articles showcased the impacts of the TNFD with an articles in [Financial Times](#), [Environmental Finance](#) and [Reuters](#), [Financial Times](#), [Nikkei](#), [The Banker \(FT\)](#), [Reuters](#), [ESG Investor](#) and [Wall Street Journal](#).

⁴ Nature-related Risk and Opportunity Registers, Aquaculture Case Study, The TNFD's proposed approach to scenario analysis (Discussion paper)

Additional draft guidance for corporates on science-based targets for nature, Societal dimensions of nature-related risk management and disclosure: considerations for the TNFD framework (Discussion paper), Guidance on the Assess phase of LEAP – v0.3 beta framework Annex 3.1, Illustrative indicators for nature-related risks and opportunities – v0.3 beta framework Annex 3.2, Additional draft disclosure guidance for financial institutions – v0.3 beta framework Annex 3.3, Illustrative assessment and disclosure metrics for financial institutions – v0.3 beta framework Annex 3.4

Country Spotlight: National Readiness for Nature Related Disclosures in Emerging Markets

With the support of the Joint Programme, UNDP and the UNDP Biodiversity Finance Initiative (BIOFIN) published a Report of the results on the readiness of regulators to adopt nature-related disclosures in Costa Rica, India, Indonesia, Mexico and Zambia.

While the TNFD Framework continues to develop and adapt its beta version, a key obstacle identified was the lack of specific, national-level information on the readiness of Governments to roll out nature-related disclosures.

The Report was based on questions and data collected through interviews and questionnaires with regulators and supervisors, complemented by desk reviews.

The country studies facilitated in-depth interactions with the different stakeholders, clarifying the landscape and the readiness at national level to implement the disclosure recommendations, and demonstrated the importance of the adjusting the TNFD Framework to the reality on the ground.

As a result of the engagement under the studies, a number of financial institutions have approached UNDP with interest to engage in specific TNFD pilots.

The studies resulted in a number of valuable learning insights, which will inform country-level implementation of the TNFD namely,

1. The need for additional funding to create awareness and capacity within all relevant financial institutions, regulators, or supervisors to conduct scenario analyses and help estimate financial risks, costs, and impacts related to biodiversity.
2. National knowledge-sharing platforms should be constructed to translate scientific and technical information into data inputs useful for the financial sector.
3. The need to present international experiences and best practices to financial authorities and develop a roadmap and schedule for implementation.
4. A strong dialogue process, first with financial authorities and then with financial institutions, private sector chambers and associations, will be necessary.
5. Enhanced coordination of environmental NGO's, international organizations, UN bodies and foreign governments representatives is necessary to avoid duplication of efforts.
6. Specific country pilots should be funded and implemented in each country once the final framework is developed by TNFD. This would ensure increased awareness, capacity building, lessons



learnt, business sector credibility, and initial institutionalization. Pilots should be implemented by institutions with teams on the ground as we have seen these activities will need capacity development, partnerships with local institutions and long advocacy campaigns.

7. A monitoring and evaluation programme needs to be developed after and during implementation of the TNFD Framework to ensure lessons learnt and adjustment of the framework to the reality on the ground.

Studies in six additional countries (Botswana, Colombia, Ecuador, Philippines, Peru, South Africa) will be delivered in 2023

3.2 Implementation of Citizen–Centric Digital Financial Solutions

The work on establishing a digital finance mechanism led by UNDP and UNCDF, to empower citizens to become investors and invest in green projects, has been advanced significantly in Bangladesh over the course of 2022.

The innovative digital financial solution leverages citizens’ micro-savings for financing of green projects and will enable millions of citizens to actively invest in projects that align with the Government’s SDG priorities, thereby harnessing domestic private capital to finance sustainable development and fuel economic growth.

Based on extensive consultations and analysis, the most optimal technical solution to enable micro-savings was identified. This solution enabled the integration of an investment option with green projects into the e-bank apps of mobile financial service providers. Throughout 2022, partnerships with the mobile financial provider bKash (the financial provider with the most customers in Bangladesh) and IDLC (the largest Non-Banking Financial Institution in Bangladesh) were established and the technical integration into the bKash mobile banking app was commenced. Once integrated, the green projects will feature under a “green investment” tab in the bKash app.

Engaging Regulators and Legislators

Due to the innovative way that the financial instrument and mechanism are being utilized, several licenses were required, and a string of legislation needed to be considered. The team engaged extensively with government counterparts and regulators and received legal opinions to comply with the current legal framework in Bangladesh.

The digital finance mechanism will be launched in pilot format in Q2 2023.

Creating enabling environments for innovative, citizen-centric finance models

Despite the significant challenges in engaging with government on policies and regulations, the necessary political buy-in was ultimately obtained. The initiative was considered as a significant achievement, as it creates a more permissible environment for similar innovations to be implemented, opening the way for other innovators and business models to follow.

Developing an Innovation Roadmap

The lessons learned from the legislative negotiations are being captured in a comprehensive roadmap that will serve as the foundation for scaling this initiative to other developing countries looking to leverage domestic private capital for financing their SDG priorities. This includes detailing the type of financial instruments, identification of fund manager, regulatory frameworks and partnerships needed. This Roadmap will be finalized in 2023 once the pilot project has been implemented.

Area 4: Channeling Private Investments to the SDGs

Area 4 focuses on channeling private investment to the SDGs. The Joint Programme is building capacity to develop a pipeline of SDG-oriented investments and effectively engaging private investors.

4.1 The Global SDG Impact Investment Platform

UNDP's SDG Impact Initiative works to address the root causes of the climate crisis, inequalities, and insufficient progress on the SDGs, by driving change at the systems' level and supporting the private sector to transform the way they do business and make investments.

The Joint Programme has supported the work of UNDP in developing and maintaining the Global SDG Impact Investment Platform - a user-friendly, dynamic online repository of data, insights and evidence on SDG-aligned investment opportunities, including information on regulatory and policy environments.

The Platform's objective is to facilitate investment and catalyze private capital flows towards SDG priorities and has enabled investors, enterprises, and governments in target countries to make better decisions that advance the SDGs.

The Platform houses the SDG Impact Standards, which provide a framework for authenticating investment practices with SDGs, and the SDG Investor Maps, which generate market intelligence on SDG-enabling investment opportunities.

Capacity building on SDG Impact Standards and Impact Management and Measurement

In addition, trainings on the SDG Impact Standards and Coursera Impact Management were developed and launched. Further work was undertaken to streamline the design of the SDG Impact website, including the launch of a user-friendly self-assessment tool, which seeks to raise awareness of the impact of investments on socioeconomic goals.

Launch of new SDG Investor Maps

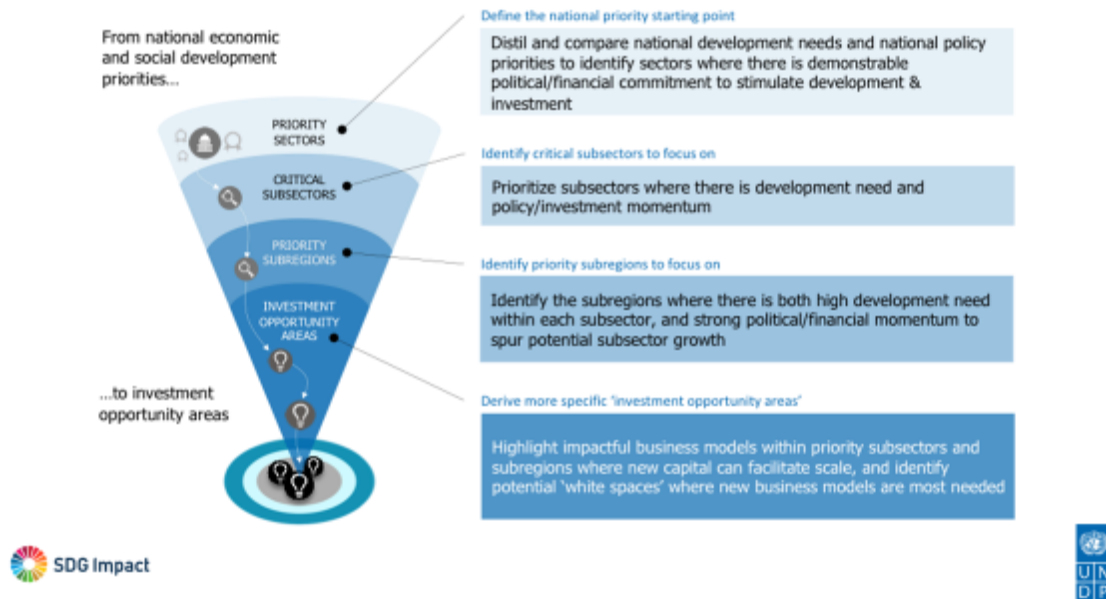
In 2022, 24 SDG Investor Maps (compared to the target of 10) were completed and uploaded to the Platform, as a public good to be used by investors, enterprises and intermediaries in directing their investments and business strategies. An additional 20 are forthcoming.

The SDG Investor Maps provide market and impact analysis of more than 400 investment opportunities spanning all 17 SDGs. These SDG Investor Maps were showcased the 2022 Annual Conference of the World Association of Investment Promotion Agencies.

Over 70+ UNDP country offices have been trained on the SDG Investor Maps to enable Country teams to utilize the Platform and identify key opportunities to increase financing towards SDG aligned investments.

SDG Investor Maps identify concrete, investable solutions to pressing needs at country level

Filtering down from **national priorities** to derive **Investment Opportunity Areas (IOAs)**



Scaling Impact and Reach through System-wide collaboration

A collaborative and system-wide approach has been adopted in the creation of the SDG Impact Initiative, including collaboration with:

- UNCDF and the [Business Call to Action Impact Lab](#) to upload case studies to the Platform
- UNCDF and UNDP on an investment pipeline, based on SDG Investor Map findings
- Venture competitions and impact accelerators to identify enterprises to deliver on investment opportunities, e.g., in Colombia, Tanzania, Malaysia
- a Swiss-based independent impact adviser worked with UNDP to identify a base value of USD \$ 39 million worth of SME investments in Ghana consistent with SDG priorities
- UNDP Colombia to support Bancolombia in identifying opportunities to invest in companies focused on the distribution of affordable and renewably sourced pre-paid electricity to off-grid communities
- UNDP Uruguay to train policymakers on sustainable investment best practice standards, to prompt policy reforms conducive to SDG-aligned investments

4.2 SDG Investment Fairs -Showcasing Bankable Projects

The SDG Investment Fair, led by UN DESA, provides a unique mechanism to increase private capital flows to emerging and frontier markets by supporting countries in identifying, developing and showcasing investment projects to investors. The SDG Investment Fairs and related activities play a key role in bringing together providers of investment capital and SDG focused investments.

In 2022, UN DESA hosted two SDG Investment Fairs at which seven countries ((Colombia, El Salvador, Guatemala, Eswatini, Equatorial Guinea, including LDC country Malawi and Nigeria from the Sahel) pitched 18 investment projects worth approximately US\$ 1 billion in the clean energy, tourism, and agriculture sectors.

The Joint Programme enabled UN DESA to launch a new technical assistance window under the auspices of the Fair, designed to support countries in ensuring the robustness and feasibility of their investment portfolios and attract increased private

investments. The support provided through the technical assistance window has enhanced the quantity and quality of the projects promoted at the Fairs.

Work also commenced on a diagnostic tool to support countries in the preparation of more bankable SDG-aligned investment projects and enhancing their readiness for participation in the Fair, which can be used to inform the SDG Investor Maps in 2023 and drive a cohesive, SDG-aligned eco-system.



Country Spotlight: Harnessing the power of Youth to drive Kenya's Sustainable Development Agenda

Kenya is harnessing the power of its youth to drive sustainable development and a resilient recovery through skills development and youth employment opportunities in the agriculture, health and ICT services sectors. In support of these efforts, DESA conducted a technical advisory mission to Kenya, and provided tailored investor engagement strategies to three projects. The advisory support included financial structuring, an assessment of regulatory risk, and a clear plan for mobilizing investors.

- The Office of the Presidency received support from DESA to conduct further feasibility around the national Generation Unlimited initiative focused on youth development and employment. This effort pinpointed priority investment and private sector partnership opportunities.

As a senior official from the Office of the Presidency remarked, “the technical assistance from DESA, albeit small in figure, was immensely catalytic and timely...” (September 2022).

- The National Treasury and IFAD received support from DESA to undertake a regulatory review pivotal to the viability of launching a \$100 million agricultural financing facility with a dedicated window targeting youth and SMEs that can employ young people. The technical assistance enabled enhanced coordination to connect these two initiatives, with further development anticipated in 2023.

- UNFPA and a local social enterprise received support from DESA to refine their investor plan and outreach strategy around a new development impact bond for essential health services that focused on vulnerable youth and generated jobs for young girls in urban slums. This support enabled the initiative to surpass their initial funding target of US\$ 9.8 million, which is now scaling up in a second phase of implementation. This support leveraged existing UN partnerships with the Government of Kenya giving momentum to a new UN country strategy emphasizing “innovative finance” and “youth empowerment” as key enablers.

The lessons learnt and success of this pilot in building the robust and investable projects will inform additional country-level advisory missions in 2023.



Investor outreach and engagement

The SDG Investment Fair continues to expand its network of over five thousand SDG supporters, including investors, foundations, and civil society organizations, by hosting targeted events to foster stronger interaction between government representatives and the private sector.

In September 2022, DESA convened a roundtable entitled “Driving Sustainable Development Investment in Emerging and Frontier Markets”, which provided an opportunity to hear directly from Investors on the elements needed to enhance the ‘invest-ability’ of projects. Investment prospectuses are being developed and circulated to investors, captured on the Online Line Investor Platform, which will link up to respective countries’ SDG Investment Investor Maps under development by UNDP (see below).

These SDG Investment Fairs contributed to the advancement of multi-stakeholder dialogue and advocacy on several pressing sustainable finance topics, including how to increase private capital flows in the least developed countries, feeding into a special side-event at the UN Fifth Conference on LDCs.

The Fair has brought together partners from within the UN system and the wider development financing communities to showcase the power of “delivering as one”, through a more cohesive service to developing countries on private SDG investment. Through these partnerships, the Fair is contributing to creating stronger national and regional ecosystems necessary to build pipelines of bankable SDG projects. The Fair has showcased efforts driven by the UN Joint SDG Fund, IFAD, UNCDF, UNDP, UN Global Compact and the UN Development Coordination Office. Other external partners from institutions such as the Agence Française de Développement (AfD)/Finance in Commons, IFC, EBRD, EU/EIB and members of the GISD Alliance are also regular contributors to the Fair.

The Fair supported Africa’s First Investment Mobilization Summit in East Africa and is working toward supporting a follow-on event in 2023 in West Africa. It is developing tools, resources, and knowledge products that can inform a DCO-led community of practice for UN country economists and development finance experts/partnerships officers.

Area 5: Supporting Food System Transformations in Support of the SDGs

5.1 Food Systems: From Global Summit to National Pathways

The Food Systems Transformation Agenda is one of the key transitions necessary to “rescue” the SDGs and put them back on track after the successive crises generated by the COVID-19 pandemic, the war on Ukraine on the global agricultural supplies, the climate emergency, and the current inflation crisis.

Support to Start-Up of the Food Systems Coordination Hub

At the conclusion of the 2021 UN Food Systems Summit, the UN Secretary-General committed the UN System to jointly lead a UN Food Systems Coordination Hub⁵, that collaborates with, and draws upon, the wider UN System capacities to follow-up to the Summit.

All UN Member States are potential beneficiaries of the support offered by the UN Food Systems Coordination Hub. Around 120 countries developed SDG-based national pathways for food systems transformation and nearly 150 have appointed national conveners, with the objective of developing food systems that work for People, Planet and Prosperity, as part of the Summit process.

The Joint Programme provided support in the establishment of the Hub. Support from the Joint Programme enabled coordinated, country-driven, customized support to national administrations, to transform domestic food systems, to ensure that every country can reach food security, provide nutritious meals to all, and develop a robust agricultural system resilient to the effects of climate change.

With support from the Joint Programme, the Food Systems Hub developed and approved a biennial Workplan; facilitated regular engagement with National Convenors, enabling continued peer-exchange, peer-learning, and capacity development within the Convenors networks, and bottlenecks to be addressed. The support provided by the Joint Programme facilitated the monthly convening of “Food Systems Solutions Dialogues” and regional engagement on a wide range of topics, which are necessary to connect the Food Systems Transformation Agenda and other relevant global processes.

⁵ FAO, IFAD, WFP, WHO, UNEP and DCO currently actively support the Hub, which is hosted by FAO on behalf of the UN System. In its first year of operations, the Hub, through the mobilization of the UN Country Teams, under the leadership of the UN Resident Coordinators focused on “supporting Governments to develop and strengthen Sustainable Development Goal-based national pathways for sustainable food systems transformation, already developed by 117 countries” as called for by the 2022 HLPF Ministerial Declaration.

V. Looking to 2023

At this critical inflection point in history, Italy's generous investment and strategic engagement and partnership is key to supporting a green, inclusive, and sustainable recovery anchored in the 2030 Agenda and has been instrumental in delivering concrete results, and shaping the narratives on financing sustainable development that will inform development programming, policy orientation, and regulatory frameworks.

In 2022, we built upon this solid foundation, generated momentum and secured engagement with a range of actors and stakeholders. 2023 will be the year to both embed and scale our efforts, ensure adaption and contextual relevance, and drive deeper integration between the range of policies and programmes and initiatives that already exist in the United Nations system and beyond – including linkages with the Integrated National Financing Frameworks (INFFs) and Nationally Determined Contributions (NDCs).

The key priority areas identified by the Italian Ministry of Environment and Energy Security, in line with the Secretary-General's Strategy for Financing the 2030 Agenda, include investment in the Sahel, supporting work on the Multidimensional Vulnerability Index for SIDS, and highlighting the role of youth as drivers for accountability.

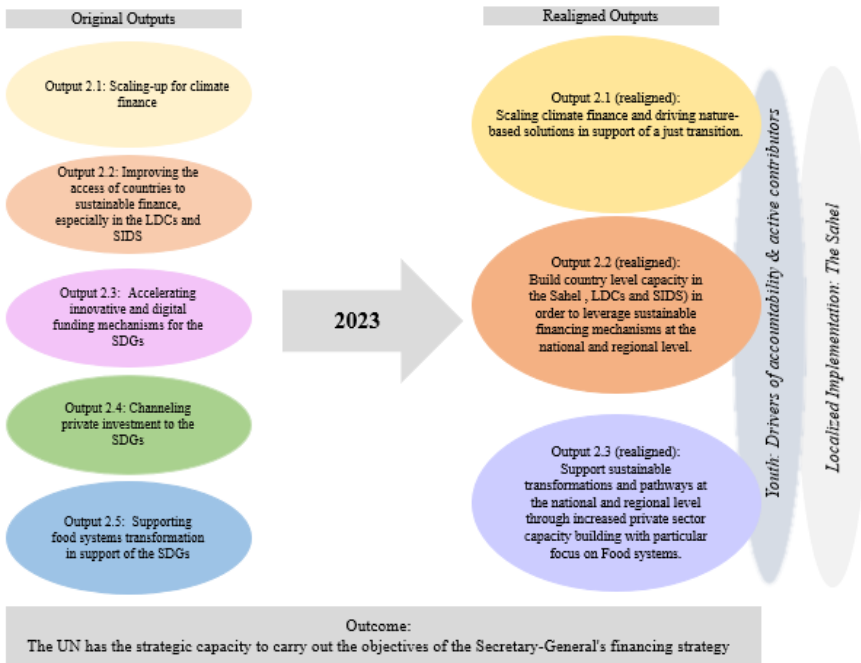
Based on these priorities, the below realignment of outputs is proposed. This 2023 Programme of Work is consistent with the overall objective of the Joint Programme document and focuses on consolidating the original five (5) outputs into three (3) in order to:

- Leverage more effectively the synergies created within, and by the Joint Programme in 2021 and 2022;
- Deepen the alignment of the Joint Programme with the stated priorities of the Ministry of Environment and Energy Security in the context of an evolving political and economic landscape; and,
- Ensure that the Joint Programme supports the implementation of the Secretary-General's Strategy for Financing the 2030 Agenda.

Key 2023 milestones that will shape the Financing Agenda include the India G20 Presidency, COP28, COP16, UNGA78, the Summit for a New Global Financial Pact, the Bridgetown Initiative, the SDG Stimulus and the Secretary-General's Policy Briefs on Beyond GDP and the Reform of the Financial Architecture, the SDG Summit and lead up to the Summit of the Future.

Please refer to the 2023 Annual Workplan for more information on the 2023 Workplan and priorities.

2023 Realignment of Outputs:



VI. Annex 1: Results Monitoring Table

Results Framework	Activities	Indicators	Target	Results Achieved by Dec 2022
1. Fund Outcome: The UN has the strategic capacity to carry out the objectives of the Secretary-General's financing strategy	EOSG/Strategic Capacity to support the SG agenda on sustainable finance in the framework of the socioeconomic response to COVID-19 (572,940 US\$)	<p>The Secretary-General's post-2021 strategic approach to financing the 2030 Agenda is launched, disseminated and effectively shapes global strategic engagement with public and private finance.</p> <p>G20 2022 outcome is aligned with Secretary-General priorities on financing for a sustainable recovery, through strategic engagement with the Indonesian G20 Presidency.</p>	<p>Qualitative indicator: The post-2021 strategic approach is approved in early 2022, effectively informs UN system programming and advocacy on financing for development and serves as an anchor in the strategic engagement with IFIs, MDBs, private finance and other stakeholders.</p>	<p>Advancement of the strategic advocacy efforts of the Secretary-General, Deputy Secretary-General, Special Envoys on key financing issues and make progress across the following strategic areas;</p> <ul style="list-style-type: none"> - Development of the SDG Stimulus and the subsequent release of the Secretary-General Policy Brief on the SDG Stimulus in February 2023;- Continued support to the work of the Global Accelerator on Jobs and Social Protection for Just Transitions, and creation of a window on universal social protection and decent jobs in the Joint SDG Fund; - Support to platforms and agendas to support developing countries recovery from cascading and overlapping crises (e.g., initial discussions leading to the Global Crisis Response Group and its first three Policy Briefs.
Output 2.1: Scaling-up for climate finance	UNEP/ Nature-Based Solutions Movement (100,000 US\$)	Effective uptake of NbS in key processes such as G20, G7 and COP27	NbS feature prominently in outcomes from G20, G7 and COP27, backed by a credible NbS framework	<ul style="list-style-type: none"> - Adoption of the first-ever multilaterally agreed definition of Nature-based Solutions as a foundation to establish the role of nature-based solutions and unlock nature finance - Continued analytical and advocacy work supports credible framework for operationalization of NbS; - Prominent NbS recognition in G20, G7, COP27 and COP15, backed by increased funding commitments.

	OHRLLS (330,000 US\$)	Progress is made towards finalization of the MVI and in the maturing of debt-climate swap initiatives for SIDS	The MVI is finalized through the High-Level expert panel; pilot swaps are enabled for at least three SIDS.	<ul style="list-style-type: none"> - Publication of initial recommendations of the High-Level Panel on Multidimensional Vulnerability Index (MVI) - UN-OHRLLS used COP27 as a major advocacy opportunity to raise awareness of the urgency for climate action required by Small Island Developing States, including Several events at COP27 to drive awareness and recognition of the urgency for climate action required by Small Island Developing States including <ul style="list-style-type: none"> - a high-level event on Loss and Damage organized with the Alliance of Small Island States entitled, "Less Division, More Ambition: High-Level Dialogue on Loss and Damage in Small Island Developing States". - Bilateral meetings with the Secretary-General of the Commonwealth Secretariat on Universal Vulnerability Index, the Secretary-General of the Pacific Islands Forum and UN counterparts
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Output 2.2: Improving the access of countries to sustainable finance, especially in the LDCs and SIDS	UNEP/ Building the capacity of financial institutions to set and deliver on ambitious targeted outcomes for mobilizing private investment in the SDGs (650,000 US\$)	Banks, insurers and key stakeholders gain access to training programmes and set targets in at least one area relevant to the SDGs	Responsible Banking Academy is established; 250 banks, insurers and key stakeholders gain access to training programmes; and 100 set targets in at least one area relevant to the SDGs	<p>In 2022, UNEP-FI provided capacity building to enable more than 130 banks from 35 countries to set targets to align finance with the Paris Agreement and the SDGs. More than 1000 representatives from the banking industry participated in one or more practical demonstrations of the use of tools, knowledge sharing, webinars, workshops, one-on-one sessions and peer to peer exchanges to build the business case and their technical capacity.</p> <ul style="list-style-type: none"> - A review by UNEP FI's Secretariat of 200 bank's reports found that 70% (180 banks) have set targets for at least one significant impact area; in which 80% is related to climate. - NZBA launched its first Progress Report, which details the intermediate 2030 decarbonization targets from over 60 member banks. The progress report shows members' first decarbonization efforts focusing on the high-emitting sectors of power generation, oil & gas, and coal. - The project contributed to the establishment of the Principles for Responsible Banking Academy launched jointly by UNEP FI and partners in Oct 2022.
	UNEP/ Scaling up public/private finance for deforestation-free agricultural commodity	Number of finance facilities supported that catalyze private finance towards sustainable land use. Additional contextual figures on	Two facilities are established	<ul style="list-style-type: none"> - Two new facilities were launched in 2022: <ul style="list-style-type: none"> i. the Responsible Commodities Facility (RCF) launched its Cerrado Programme 1 (USD\$ 11 million). The RCF will provide finance to 36 farms, located in the Cerrado region of Brazil, producing 75,000 tons of

	production in Africa and other key developing countries (600,000 US\$)	number of businesses or transactions supported through these facilities.		<p>soy per year, resulting in the conservation of around 11,000 ha of native vegetation, 4,200 in excess of legal reserves.</p> <p>ii. The Tropical Landscape Grant Fund is also established and operationalized by UNEP with initial funding of 4.8 million Canadian Dollars. The Grant Fund provides technical assistance and co-fund early-stage development costs to support pipeline and project development for sustainable land use projects in Indonesia.</p> <p>-Supported the operations of three other blended finance facilities (&Green fund, AGRI3 fund and Restoration Seed Capital Facility) which invested USD 181.1m in climate friendly agriculture projects in 2022.</p> <p>Lessons learnt from the operationalization of these Funds will underpin scoping and feasibility assessments for new finance facilities for developing countries, especially in the Sahel region, LDC and SIDS.</p>
	EOSG/ Sahel Investment Support Mechanism (1,100,000 US\$)	Total amount of funds raised for development in the Sahel, and allocated in alignment with the 6 priority areas of the UN Integrated Strategy for the Sahel (cross-border cooperation, prevention	Further resource mobilization to be discussed as part of progress on maturing of OSCDS.	<p>- Increased strategic partnerships and resource mobilization in the Sahel, including the dissemination of a stronger business case for government and private sector investment in vast, abundant region, including successful resource mobilization of (USD \$2million)</p> <p>- Created the Integrated Bank of Projects in the Sahel (15 Projects, USD \$390 million)</p>

		and sustaining peace, inclusive growth, climate action, renewable energy, women & youth)		
	UNEP / Forest Solutions – UNREDD (800,000 US\$)	Total quantity of high-quality jurisdictional REDD+ emission reductions by 2025 that are rewarded based on public and private financing pledges confirmed for results-based payments	US\$ 480 million in results-based payments	--Supported the pledges of USD 0.95-1.14 billion of potential public and private results-based financing (RBF) for high-quality jurisdictional REDD+ emission reductions in six jurisdictions: Democratic Republic of Congo, Ecuador, Ghana, Uganda and Viet Nam.
Output 2.3: Accelerating innovative and digital funding mechanisms for the SDGs	UNDP/ Citizen Digital Financial Solutions (550,000 US\$)	Number of countries that have implemented or piloted the citizen-centric digital financing solution, and number of countries that have successfully mobilized significant financing for green infrastructure projects through the platform.	Three countries have implemented or piloted the citizen-centric digital financing solution and a minimum two countries have successfully mobilized significant financing for green infrastructure projects through the platform.	<p>- Implementation in Bangladesh expected by Q2 of 2023. Implementation of the initiative was delayed as a result of government and regulatory challenges. The relevant approval has been granted.</p> <p>- The lessons learnt, and key solutions are being captured in a Digital Financing Solutions Roadmap which will serve as a blueprint for future digital finance innovations.</p> <p><i>While work was initiated to scale the model in Rwanda, the work was halted and ultimately stopped due to 2023 budget constraints.</i></p>
	UNDP/ Taskforce for Nature Related Financial	Significant progress is achieved in the development of a robust TNFD framework, with	Advanced awareness of and knowledge about nature risks and footprints (covering	- Reached a ground-breaking agreement on nature- related disclosures at COP15

	Disclosures (825,000 US\$)	engagement across different stakeholders and backed by concrete industry support, with a view to delivering standards in 2023. Identification of most promising approaches and measures to achieve the mandate of TNFD	materiality, metrics and data) among leading corporates and regulators participating in TNFD as evidenced by the emergence of the TNFD Framework ready for roll out dissemination before Dec 2023. This implies substantial research and development needed to support to TNFD coalition in the course of 2022.	- EUR 29 million committed by the Government of Germany to support and scale market adoption of the TNFD
Output 2.4: Channeling private investment to the SDGs	UNDP/ Global SDG Impact Investment Platform (383,000 US\$)	Number of SDG Impact country maps; additional contextual figures on financial flows mobilized towards the Investment Opportunity Areas across countries and sectors.	20 maps (2022)	<ul style="list-style-type: none"> - 24 SDG Investor Maps were completed and uploaded to the Platform in 2022, as a public good to be used by investors, enterprises and intermediaries in directing their investments and business strategies. An additional 20 are forthcoming. The SDG Investor Maps provide market and impact analysis of more than 400 investment opportunities spanning all 17 SDGs. - These SDG Investor Maps were showcased the 2022 Annual Conference of the World Association of Investment Promotion Agencies. - Over 70+ UNDP country offices have been trained on the SDG Investor Maps to enable Country teams to utilize the Platform and identify key opportunities to increase financing towards SDG aligned investments.

	UNDESA/ Supporting the preparation of bankable projects for investments (200,000 US\$)	Progress of investment projects in the SDG Investment Fair, with additional contextual figures on number of projects in program; presented in SDG Investment Fairs in 2021; proposed for Fair presentation in 2022; participated in capacity building; with formal SDG analysis performed; contacted for follow-up by investors; received investment.	18 countries in pipeline for 2022; 6 countries participating in capacity-building; 5 projects contacted for follow-up by investors; at least one project expected to receive investment in 2022.	-Two SDG Investment Fairs hosted at which seven countries (Colombia, Nigeria, El Salvador, Guatemala, Equatoria Guinea, Malawi, Eswatini) pitched 18 investment projects worth approximately US\$ 1 billion in the clean energy, tourism, and agriculture sectors
Output 2.5: Supporting food systems transformation in support of the SDGs (increased capacities of the Food systems Hub to implement its mandate)	EOSG + FAO (300,000 US\$)	1) A biennial workplan for the UN Food System Coordination Hub is developed and approved the Hub's Steering Committee to guide the Hub's work in enabling SDGs-based food systems transformations	1	Biennial Workplan developed and approved
		2) A Country Needs Survey is developed and disseminated to National Convenors to identify priority areas of	1	Survey developed and disseminated to National Convenors.

		country support for the Hub		
		3) Number of “Food Systems Solutions Dialogues” held on a wide range of technical topics in response to National Convenors’ request for expert advice and peer-to-peer learning across countries along thematic areas	13	-6 dialogues were organized covering two time zones (12 dialogues); - 2 regional touchpoints covering five regions (10 meetings); and - 2 physical meetings Thus in total 24 events were organized