

One Planet Multi-partner Trust Fund for SDG 12 Report 2022

Preliminary report



Introduction One Planet Multi-Partner Fund for SDG 12

The One Planet Multi-partner Trust Fund (MPTF) on SDG 12 is a partnership between six UN agencies engaged in the **One Planet network**: the Food and Agriculture Organization, UN Development Programme, UN Environment Programme, UN-Habitat, the UN Office for Project Services and the UN World Tourism Organization, administered by the UN Multi-Partner Trust Fund Office.

It aims to support countries in the implementation of Sustainable Development Goal 12 (SDG 12) and the 10-Year Framework of Programmes on Sustainable Consumption and Production (10YP) for integrated action at national level to deliver on Agenda 2030.

The Fund is a pooled funding mechanism for cohesive action to support countries in assessing, designing, prioritizing and implementing policies and practices for Sustainable Consumption and Production (SCP), bringing together the comparative advantages of the participating UN agencies and the expertise of the One Planet network partners in high-impact sectors.

The Steering Committee of the MPTF is the decision-making body of the Fund. It is composed of 9 members, comprising high-level representatives of all 6 UN Agencies, Chair of the 10YFP Board, and representatives of the funding partners from Germany and Denmark.

Major developments for the 2021-2022 cycle

The world is currently facing a triple planetary crisis, namely climate change, biodiversity loss, and pollution, that comes with extremely high social, health, and economic costs. The urgency of this crisis necessitates unprecedented joint efforts to accelerate shifts towards sustainable consumption and production patterns. A global and inclusive transition towards sustainable consumption and production is an opportunity for all to address simultaneously the multiple crises the world is facing. It must be supported by innovative and collaborative approaches to renew international cooperation through the combination of financial resources and expertise, to ultimately achieve ambitious social and environmental outcomes.

However, the current funding landscape of SDG 12 and environmental, social, and governance (ESG) is fragmented, rigid, and underfunded. To address these challenges, this paper proposes the revitalization of the Multi-partner Trust Fund (MPTF) for SDG 12 to expand the membership of the Fund, provide innovative solutions to invest for impact, cultivate funding sources and bring in the private sector, create an operational funding tunnel to support the 10 YFP Secretariat. The repositioning of the Fund will align with the Approved Results Framework and Budget of the 10 YFP Secretariat to support the implementation of the Global Strategy for SCP and drives actions towards achieving sustainable consumption and production of the 2030 Agenda for Sustainable Development.



Against this backdrop a major development took place in 2022 with the approval of a <u>Global Strategy for Sustainable Consumption and Production</u>, which aims to support the achievement of global sustainability ambitions and a just transition by 2030 through the shift to SCP practices across society. It calls for the 10YFP and its large multi-stakeholder network -the "<u>One Planet Network"</u> - to actively contribute to the implementation of the strategy.

The Global Strategy for SCP has four complementary and interconnected pillars. Pillar 1 seeks to further position SCP as an essential requirement and means to achieve global commitments for sustainable development, climate, biodiversity, and pollution.

Pillar 2 proposes broad multi-stakeholder coalitions to enable changes through circularity, transformative multistakeholder and public-private partnerships, and by providing tools and solutions across high-impact systems and sectors. Building on the partnerships, achievements and assets of the One Planet Network, the objective is to facilitate the uptake of enablers for change – circularity, social inclusion, digitalization, consumer information, public procurement, education – in high-impact sectors. Those sectors include: food systems and the built environment, which drive a large part of global environmental impacts; tourism, which plays an essential role in many national economies and offers opportunities to advance sustainability across other sectors; sectors related to products and services, such as electronics and critical minerals, textiles and mobility/transports, which are at the heart of global consumption with growing markets.

The third pillar of the global strategy aims to empower countries, in particular developing countries, and stakeholders to mainstream and implement SCP patterns, leveraging the UN Development System. Acknowledging that there is no "one-size-fits-all" solution, the strategy aims at achieving increased cooperation across the UN for a demand-driven and coherent support to countries in the design and implementation of national SCP policies. This decentralization of SCP policy development ensures an integrated approach to implementation while avoiding SCP being associated only with the environmental agenda.

Finally, the global strategy fosters commitments for action by growing and amplifying a global movement for SCP based on a coherent, science-based narrative, to change how we think about, act on and talk about consumption and production (pillar 4). This approach will build public support, secure and monitor concrete commitments for action, engage governments, the private sector, workers, youth, indigenous peoples, civil society and the United Nations in a common effort to drive that change.

In 2022, the development of the Global Strategy for SCP reinforced progress made through multilateral processes on climate change (UNFCCC COP 27), biodiversity (CBD COP 15) and pollution (INC for plastic pollution) on mainstreaming SCP as essential to achieve international environmental commitments.

The second major institutional development in 2022 was the decision the decision of the Members of the MPTF for SDG-12 to endorsed by the Global Strategy for Sustainable Consumption and Production and subsequently to extend the MPTF through 2030.



This paved the way subsequently to present a project, through which the 10YFP / One Planet network Secretariat will seek to implement in partnership with MPTF agencies the Results Framework approved by the 10YFP Board for the period 2023-2024, fully aligned with the Strategy and the Secretariat's mandate.

Joint Programmes of the 2020-2021 funding cycle

The overview of the two joint programs implemented during the period 2022 are:

"SDG 12 Resource Efficiency Housing (Multi-agency support to UN Country Teams in mainstreaming resource efficiency in the housing, buildings, and construction sector)", jointly implemented by UN-Habitat, UNEP and UNOPS

The programme aims to integrate resource efficiency into the building's life cycle by equipping UN Country Teams (UNCTs) with the necessary tools and information. More specifically, the two main objectives are to:

- Support governments in transforming their buildings and construction sector to be a resource efficient, low carbon and climate resilient, through coherent policy support and results-focused programming based on science and local needs.
- Raise awareness and strengthen the capacity of national stakeholders on sustainable buildings and construction-related benefits and opportunities with the emphasis on material efficiency

Main Outputs:

- Sustainable Buildings and Construction Mainstreaming and Advocacy Package for UNCTs covering policy, investment value, and capacity building in building and construction programmes, tested in pilot countries
- Value assessment methodology for national buildings and construction programmes, focusing on national housing-related ones, tested in pilot countries
- Country assessment tailored to the pilot countries to provide a solid baseline of the construction sector, followed by the development of national Sustainable Buildings and Construction roadmaps.

Achieved Outcome:

Improved strategic implementation of the 2030 Agenda and the Paris Agreement through enhanced UN support to governments to mainstream sustainable buildings and constructions, with the focus on the housing sector.

"Promoting sustainable food consumption and production patterns through integrated tools, advocacy and multi-stakeholder action", jointly implemented by FAO, UNDP UNEP, and UNWTO



The programme aims to achieve coherent policies and strengthened human capacities for sustainable, resilient, and inclusive food systems development at national and municipal level. It will achieve this aim with the development of global tools and approaches for facilitating a cross-sectorial and whole-of-government approach for collaborative and integrated food systems development at national and sub-national levels, and for promoting sustainable food management in the tourism sector.

Main Outputs:

- Tool for multi-stakeholder collaboration for food systems transformation (piloted in Uganda).
- Global tools and approaches for sustainable food management in the tourism sector.
- Enhanced policy coherence and multi-stakeholder and sectoral actions to promote sustainable food consumption and production patterns at national and sub-national levels (in Uganda, and Brazil at urban level).
- Strengthened capacities of food system actors on sustainable approaches in policies and interventions; on urban and peri-urban linkages for sustainable food systems and nutrition; and on sustainable good management for food and hospitality businesses.
- A global behavioral change campaign "Groundswell" catalyzed at city level, including the establishment of a Sustainable Food City Partnership in Brazil.

Achieved Outcome:

Coherent policies and strengthened human capacities for sustainable, resilient and inclusive food systems development at national and municipal levels.

The way forward for 2023

Current resources around sustainable consumption and production are fragmented. The lack of coordination between organizations can lead to duplicated efforts, wasted resources, and missed opportunities. The efforts towards SCP need to be joint to enhance organizational collaboration and the combination of knowledge and expertise.

There is a need to scale impact for greater effectiveness: The environmental, social and governance (ESG) approach to investment is broken and needs to be streamlined and stripped of sanctimoniousness. There is an urgent need to attract new funders and scale up the funding to advance the transformative shift towards sustainability in high-impact sectors and value chains. Introducing innovative financing models to the Fund can generate social and environmental value while also providing a financial return.

Finally, the traditional sources of financing have dried up as public utilities piled up larger and larger deficits due to poor cost recovery, governments faced increasingly tight fiscal constraints and official development assistance (ODA) failed to keep up with expanding needs. A growing financing gap forced the public sector to seek private capital.



One opportunity for the MPTF is to shift towards operating at the cutting edge of development finance. In this regard, the MPTF could open innovative financing windows for donors (both public and private) to invest for outcomes by tying funding to measurable results and to scale up funding and the impact of SDG 12. Option includes the following:

- a. The Fund could create a window of Innovation Fund for the six flagship partnerships: sustainable public procurement, sustainable food systems, consumer information, sustainable lifestyle and education, digital innovation, and sustainable tourism. This will ensure the focus on catalytic activities that trigger systemic changes in high-impact industries and sectors and address key hotspots along value chains using SCP tools and solutions.
- b. The Fund could also promote social inclusion through the Innovation Fund window with a special focus on gender and underserved populations. By introducing Gender Lens Investing (GLI), the Fund creates an approach to investing that takes into consideration gender-based factors across the investment process. This will bridge the gender gap of sustainable development in the context of the whole impact investment portfolio as well as achieve the 2030 Agenda.
- c. The construction of a calculative tool for the Fund could facilitate the valuation of the social and environmental impact of investments for investors.



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