

Joint SDG Fund

Template for the Joint Programme Annual Progress Report

SDG FINANCING PORTFOLIO – COMPONENT 1

Cover page

Reporting period: June 30 – December 31, 2020

Country: Timor-Leste

Joint Programme (JP) title: Integrated National Financing Framework (INFF) and Financial Diversification in Timor-Leste

Short title: Timor-Leste Integrated Finance SDG 17

Start date: June 2020

End date: June 2022

RC: Hemansu-Roy Trivedy

Government Focal Point (name and ministry/agency): Sra Brigida Soares, Coordinator, Planning, Monitoring and Evaluation Unit (UPMA) the Office of the Prime Minister (PMO)

Representative of Lead PUNO (name and agency): Ms. Munkhtuya Altangerel, Resident Representative UNDP

List of PUNOs:

United Nations Development Programme (UNDP)

World Health Organization (WHO)

International Organization for Migration (IOM)

RCO Main JP Focal Point: Kanako Mabuchi **E-mail:** kanako.mabuchi@un.org

Lead Agency Joint Programme Focal Point: Munkhtuya Altangerel **E-mail:** Tuya.Altangerel@undp.org

Contact person for Joint Communications: Firuz Shukurov **E-mail:** firuz.shukurov@undp.org

Budget (Joint SDG Fund contribution): USD \$ 1,000,000

Overall budget (with co-funding): USD \$ 1,000,000

Annual Financial Delivery Rate: 15 %

$$- \text{ Annual Delivery Rate (\%)} = \frac{\text{Expenditures PUNO 1+ Expenditures PUNO 2...}}{\text{Total transferred funds Jan 2020 to December 2020}};$$

Rate of Committed Funding : 15 %

$$- \text{ Committed Funding Rate (\%)} = \frac{\text{Committed money PUNO 1+ Committed money PUNO 2...}}{\text{Total transferred funds Jan 2020 to December 2020}}$$

	Expenditures January 2020- December 2020	Committed resources January 2020- December 2020	Transferred Funds January 2020- December 2020	Annual Financial Delivery rate (%)	Committed Funding Rate (%)
UNDP	\$ 19,483	\$ 32,139	\$ 120,000	15%	15%
IOM	\$ 13,417	\$ -	\$ 50,000		
WHO	\$ -	\$ -	\$ 50,000		

Short description of the Joint Programme (max 1 paragraph):

The Joint Sustainable Development Goal (SDG) Fund in Timor-Leste aims to increase investment in sustainable development. Timor-Leste currently does not have a holistic, national, integrated financing framework to ensure sustainable investments in the SDGs. This Joint SDG Fund proposal aims to support the Government of Timor-Leste to develop and establish a holistic and Integrated, National Financing Framework (INFF). The INFF will help to improve the governance and coordination, articulate a financing strategy and strengthen the monitoring and oversight framework. The value of this work has taken on even greater significance since the COVID-19 pandemic – in part because of the greater demands on public financing but also because Timor-Leste’s reserves through its Petroleum Fund have also been affected by the global economic downturn. Development financing is currently heavily reliant on financing from Timor-Leste’s petroleum fund. To reduce the reliance on petroleum funding, the Joint SDG Fund will help diversify financing sources and grow the fiscal space. Three financing areas have been identified for catalyzing strategic investments in People, Prosperity and Planet that emphasize financing - health, diaspora and climate financing, respectively. A strong INFF that mobilizes pro-health taxation, diaspora financing through remittances and financing for climate-related SDGs will be a catalyst for increasing investments in sustainable development.

Executive summary

The INFF-TL team, with UNDP’s technical lead, dedicated much effort on the development of the INFF architecture. Dialogues and discussions were held with Government counterparts and among the participating UN organizations (PUNOs) with regard to the INFF set-up, institutional arrangement for the INFF Secretariat, its leadership, as well as the development of the Terms of Reference (TOR) for the INFF Secretariat. In terms of pro-Health Taxation: Discussions were held with experts in WHO Regional Office and WHO Headquarters (pooling resources from health financing and non-communicable diseases technical teams) on fine-tuning the overall approach, the methodology for a comprehensive assessment and identification of experts to carry out the assignment. The initiative was also presented to the Health Systems Focal Points of 11 countries of the WHO South East Asia Region, both to solicit technical feedback as well as advocacy and sharing of experiences. Development of Diaspora Policy and Diaspora National Action Plan: Some progress has been made towards the development of the Diaspora Policy and Diaspora National Action Plan during the reporting period. This engagement has largely focused on meeting with key stakeholders to provide project briefings and discuss planned mechanisms for coordination among government entities. In terms of climate financing, it was decided to conduct a Climate Public Expenditure and Institutional Review (CCPEIR) to contribute to the diagnostic assessment and engagement with Secretariat and PFM WG to review and refine the first draft of Climate Finance Assessment (CCPEIR) to contribute to future CFF and Climate Budget Tagging (CBT) roadmap.

A. Annual Progress (MAXIMUM 7 PAGES)

A.1 The overview of progress and challenges

A.1.1. Overall self-assessment

Provide a self-assessment on the overall JP progress in the last year.

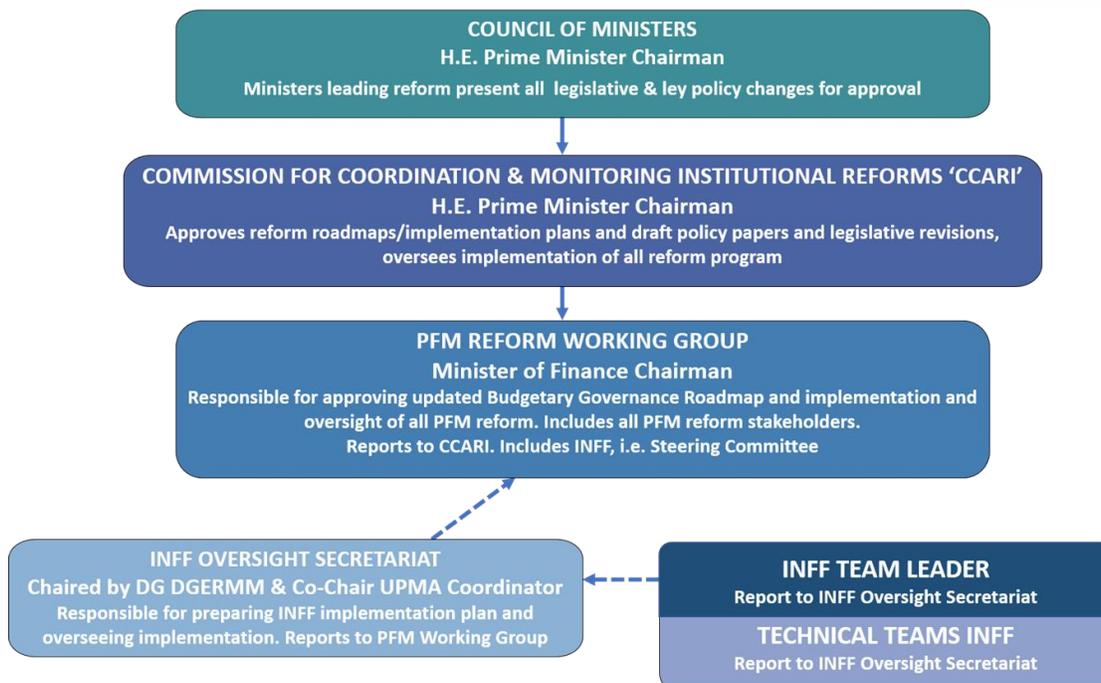
- Above expectations (expected annual results fully achieved and additional progress made)
- On track (expected annual results achieved)
- Satisfactory** (majority of expected annual results achieved)
- Not-satisfactory (majority of expected annual results not yet achieved)

The overall self-assessment is marked as **satisfactory**, given the JP start in July 2020, this first half-year has focused on establishing the institutional arrangements, conducting dialogue and reinforcing the understanding of Government and counterparts, as well as setting offices and hiring specialist consultants/coordinators. There were however limitations due to political and Ministerial changes impacting on the programme, as well as travel restrictions as a result of the COVID-19 State of Emergency.

[A.1.2. Overall progress and key developments to date](#)

The INFF-TL team, with UNDP's technical lead, dedicated much effort on the development of the INFF architecture. Dialogue and discussions were held with government counterparts and among the participating UN organizations (PUNOs) in relation to institutional arrangements for the INFF Secretariat, its leadership, as well as the development of the Terms of Reference (TOR) for the INFF Secretariat. To help the Government counterparts in understanding the INFF initiative, a policy note was developed and presented to the Government on milestone events and initiatives that led to the INFF, especially those that Timor-Leste committed to and participated in. Over the last six months, the INFF-TL team also received and welcomed an expression of interest from the Infrastructure Fund Secretariat to join the INFF initiative with potential provision of additional funds to support the initiative. Finally, over the last six months each PUNO formed core teams to implement the INFF.

Initial dialogue and discussions to set up the INFF architecture and processes: During the last two quarters, a series of discussions were held with the Government counterparts about the INFF processes and the establishment of INFF institutional settings to oversee and coordinate all INFF-related activities in Timor-Leste. UNDP, as the technical lead agency of the JP, guided and coordinated most of these dialogues. The first of these was held with the key Government counterparts to the INFF process: the Ministry of Finance (MOF) and the Planning, Monitoring and Evaluation Unit (UPMA) of the Prime Minister's Office (PMO). During the dialogues in 2020, both the UN Resident Coordinator and the UNDP Resident Representative provided detailed explanations about the need to establish an INFF Secretariat, which constitutes a key component of INFF architecture. The Government counterparts welcomed the upcoming launch of the Joint SDG Fund to develop and implement the INFF in Timor-Leste. In particular, the Government counterparts highlighted the importance of using the funds received to achieve concrete results and changes in diversifying the financing strategies for the SDGs, rather than focusing on additional assessments. The dialogue also covered the processes for developing and implementing INFF and its various phases, all of which will take place under Government guidance and oversight. UNDP together with the RC also briefed the EU Delegation in Timor-Leste of the INFF initiative and agreed to establish a close coordination between the INFF and the ongoing Public Finance Management (PFM) reform process supported by the EU and implemented by Camoes, a Portuguese development organization. Thus, as a result of numerous dialogues the **Government has committed to extend PFM Reform Working Group functions to administer INFF process at political level and establish the INFF Oversight Secretariat to lead technical discussions and hold a first INFF workshop in first quarter of 2021. The proposed and agreed institutional settings are depicted in the picture below:**



Dialogue on institutional arrangements: Roles of PMF WG and the INFF Secretariat:

It was decided that instead of creating new structures, already existing bodies should be used for this work. Hence, the PMF Reform (Inter Ministerial) Working Group¹ (PMF WG) under the Commission for Coordination and Monitoring of Institutional Reforms² (CCARI) chaired by H.E. Prime Minister will be employed as the political wheel to administer INFF process. Currently, there are four reform areas under the CCARI: public administration, judicial, decentralization and PFM. The last area has not progressed in recent years, and it is believed that the INFF, could help revitalize the PMF WG and activate long-anticipated PFM reforms. For this purpose, the mandate of the PMF WG will be reconsidered to include a broader agenda in accordance with INFF framework. The existing draft TOR will be used to incorporate those functions into the PFM Council mandate. UPMA is currently revising the PMF WG mandate to include INFF and initiate the meeting between the Prime Minister and Minister of Finance to discuss and cement those changes.

At the technical level, discussions have been held with UPMA/PMO and GDMMER³/MOF on the composition and leadership of the INFF Oversight Secretariat. Both governmental structures (GDMMER and UPMA) are well positioned to be the institutional host/convenor of the INFF Secretariat, given their role as a gateway to all development partner initiatives, as well as having hosted the country’s DFA process. It was agreed that the Director-General of GDMMER/MOF and Head of UPMA/PMO co-chair the Secretariat on rotational basis. It is agreed that DPMU/MOF and UPMA/PMO will continue discussing this issue further to decide the composition and roles of other institutions.

¹ Created by Government Resolution 17/2017, April 5, 2017 to coordination implementation of program budgeting roadmap and PFM reforms.

² Comissão de Coordenação e Acompanhamento das Reformas Institucionais (CCARI), established by Government Resolution of 29/2020, 19/08/2020 and chaired by H.E. Prime Minister.

³ GDMMER stands for General Directorate for Mobilization and Management of External Resources under the Ministry of Finance.

Another dialogue was held with GDMMER/MOF, when the INFF-TL team was informed that an approval from the Minister of Finance, via a Ministerial dispatch or directive, would be required to officially authorize and endorse GDMMER/MOF as the INFF institutional host and convener. Such approval would be critical for coordination and operationalization of INFF work both within the MOF and across ministries and sectors (public/private). As mentioned above, establishing the INFF Secretariat will help the Government to initiate a series of inter-ministerial and private sector dialogues to identify public-private financing options and expand the fiscal space for the SDGs.

Development of TORs for the INFF Secretariat and briefing notes on various events leading to INFF: As of December 2020, a number of key documents were developed and shared with the GDMMER/MOF and UPMA/PMO team to help them better understand the INFF processes, the roles of the INFF Secretariat, and TL's commitment to joining INFF. First is an overall **Terms of Reference (TOR) for the INFF Secretariat**, which was shared with GDMMER and UPMA. The GDMMER and UPMA have provided feedback and comments to the draft TOR, and these comments were subsequently discussed between involved intuitions resulting in the organic structure presented above that will engage CCARI and PFM WG.

Several policy notes were drafted to call attention to issues, challenges and recommendations to unfold INFF process in Timor-Leste. The first **policy note** was developed to chronologically highlight various events and initiatives Timor-Leste committed to and participated, including its political commitment to take part in the INFF initiative as one of the 15 pioneer countries. The note will be shared with Government counterparts and other stakeholders in preparation for the INFF launch and first Secretariat meeting planned for the first quarter 2021. The next policy note consists of a bundle of policy briefs and **a matrix summary** of challenges and recommendations related to building blocks one and two (assessments and policies). The matrix is organized in line with the five important elements of the building blocks including: (i) Financing landscape/trends; (ii) Integrated planning and financing; (iii) Public-private collaboration; (iv) Monitoring and review; and (v) Transparency and Accountability. The **five Policy briefs** are being developed covering each of the above key dimensions.

The matrix and policy briefs are developed based on a comprehensive (but not exhaustive) desk review of the key assessment reports and public expenditure reviews. They include the review of the following documents:

1. 2018 Development Financing Assessment (DFA) report by the Government of Timor-Leste and UNDP (Launched in 2019);
2. 2018 Public Expenditure and Financial Accountability (PEFA) assessment report by the Government of Timor-Leste and the World Bank (published in 2020);
3. 2015 Public Expenditure Review (PER) for Infrastructure sector by the Government of Timor-Leste and the World Bank. (Published);
4. 2019 Public Expenditure Review (PER) for the Health sector by the Government of Timor-Leste and the World Bank (*not yet published*);
5. 2020 Public Expenditure Review (PER) for the Education Sector by the Government of Timor-Leste and the World Bank (*not yet published*);
6. 2015 Private Sector Assessment by the Asian Development Bank (ADB) (published);
7. 2020 Doing Business study by the World Bank (published).

These are not exhaustive but the key point to note is that there is sufficient information to build on. Further information and data will be collected and analyzed as part of the ongoing diagnostic and

assessment process, particularly on issues and challenges that the Government and UN/PUNOs agree to address as part of the INFF initiative.

Potential partnership with the Infrastructure Fund: During the last six months, the Director of Infrastructure Fund (IF) Secretariat expressed a strong interest to joining the INFF work, including potential provision of additional fund to the INFF initiative. Initial discussion was held with IF in Q4 2020, including sharing of the concept note. Further discussion will be held to finalize and formalize this partnership.

Pro-Health Taxation: Discussions were held with experts in WHO Regional Office and WHO Headquarters (pooling resources from health financing and non-communicable diseases technical teams) on fine-tuning the overall approach, the methodology for a comprehensive assessment and identification of experts to carry out the assignment. The initiative was also presented to the Health Systems Focal Points of 11 countries of the WHO South East Asia Region, to solicit technical feedback as well as contributing to advocacy work and sharing of experiences.

Development of Diaspora Policy and Diaspora National Action Plan: Some progress has been made towards the development of the Diaspora Policy and Diaspora National Action Plan during the reporting period. This engagement has largely focused on meeting with key stakeholders to provide project briefings and discuss planned mechanisms for coordination among government entities. During a meeting between IOM and the Minister of Finance (MOF) on 3 July 2020, a discussion was held on how the Government of Timor-Leste can harness the benefits of diaspora engagement and circulation of remittances that can be channeled to increase remittance-based investments towards sustainable development. IOM shared the preliminary findings of the desk review for the diaspora study and provided recommendations for coordination of the development of the Diaspora Policy and National Action Plan. During a meeting with the Director of MOF and IOM also on 3 July 2020, a discussion was held on the inclusion of diaspora in the budgeting framework and the need to create a structure and policy to engage the Timorese diaspora in national planning, which is currently missing but could form a priority in future for the MOF. IOM also met with the Coordinating Minister for Economic Affairs (MCAE) on 30 September 2020 to provide an overview of the project and discuss ways in which diaspora can be engaged in national economic planning. During the meeting, we discussed how the Diaspora Policy and National Action Plan could contribute to shaping this engagement in a more concrete way. MCAE also expressed their interest in participating in future consultations for the development of the Diaspora Policy and National Action.

On 30 November 2020, the project facilitated a stakeholder meeting on development of the Diaspora Policy and National Action Plan with 20 (12 men, 8 women) key government focal points from the line ministries including the Ministry of Foreign Affairs, SEFPOPE, SEII and Office of the Prime Minister. This policy dialogue provided an opportunity to discuss key recommendations for coordinating, informing and developing the Diaspora Policy and National Action Plan. This included a presentation on the nature and scope of the project, the next steps, road map for diaspora engagement, timeline of key interventions, and proposed structure of the sector policy review committee. Participants agreed on the proposed activities and timeline, as well as provided inputs and recommendations for developing the policy and forming the sector policy review committee once the INFF secretariat is established. On 17 December 2020, the project met with the new DG of Protocol and Consular Affairs to present the project and discuss how the Government of Timor-Leste can harness the benefits of diaspora engagement and circulation of remittances which can be channelled to increase remittance-based investments towards sustainable development. On 18 December, the project presented on engaging diaspora in sustainable development as part of International Migrants Day 2020. The event was attended by representatives from government line ministries, development partners, UN agencies, civil society and the private sector. During the event the project invited guest panellists including the Director General for Protocol and Consular Affairs;

the UN RC, and SEPFOPE Chief of Department, to share their experiences and perspectives on migration and sustainable development, with a focus on enhancing diaspora engagement as Timor-Leste seeks to develop its first Diaspora Policy. On 22 December, IOM and UNDP also presented the project to the new Minister of Finance. The briefing provided an opportunity to discuss how the project interventions have been designed to build upon and leverage national capacities to improve diaspora engagement; as well as recognize the development potential of the Timorese diaspora in business creation, trade links, investments, remittances, skills circulations and exchange of experiences.

The ToR for the international and national consultant to support the development of the National Diaspora Policy and National Action Plan has been drafted and the positions are expected to be advertised in January 2021.

Desk Review for the Diaspora Profiling and Mapping Survey: The desk review of existing literature for the Diaspora Profiling and Mapping Survey was initiated. The desk review will form the basis of the the Diaspora Profiling and Mapping Survey in two interrelated parts: the first part of this research will focus on the Timorese diaspora in general while the second part focuses on the mapping of Timorese diaspora associations. The preliminary findings of this desk review for the diaspora profile were presented to the Ministry of Finance. The desk review primarily reflected on secondary data sources including the 2015 census, the Timor-Leste Migration Governance Indicator Report, and Timor-Leste: Migration Profile diaspora study which was conducted between July – November 2019 and collected primary data on Timorese youth and working age adults residing in Australia, Indonesia, Philippines, Republic of Korea, and U.K. The findings of the desk review were shared with key stakeholders at the stakeholder meeting (under activity result 3.2) on 30 November 2020. Participants discussed ways in which the results could be used to help the government strengthen their linkages with the diaspora, build trust, devise outreach strategies according to the specific needs, interests and capabilities of diaspora communities. At the same time, it was agreed that the mapping could be used to help develop future skills and knowledge transfer programmes.

Engagement with Diaspora Community: On 16 August 2020, the project together with the Director General for Protocol from the Ministry of Foreign Affairs met with the diaspora community from Lautem. The meeting provided an opportunity for the diaspora community from Lautem to share their experience and discuss how the Timorese diaspora can contribute to local development. The meeting explored ways in which to create an enabling environment for open dialogue to facilitate exchange, as well as how to harness the contribution of diasporas for community-level socio-economic development. The discussion centred around the benefits of drawing on the experience of local communities in Timor-Leste. The Diaspora Committee from Lautem is currently working on the rehabilitation of cultural-sites, and local construction such as road repair. This engagement will shape the way forward for piloting participatory planning between local authorities and diaspora associations for mobilising resources for the SDGs through a diaspora engagement scheme.

Building INFF Timor-Leste (INFF-TL) team: During the half year, participating UN organizations (PUNOs) begun forming an INFF-TL team to support in various phases of the INFF process and conduct work under each of their mandates. As the technical lead agency, UNDP has brought on board *three technical experts* for the Inception and Set-up phases of INFF, with recruitment of other team member(s) currently underway. For the Diaspora Financing work, the ToR for the international and national consultant to support the formulation of the National Diaspora Policy and National Action Plan have been drafted and the positions are expected to be advertised in the next quarter.

Inter-agency coordination: UNDP as the Lead Agency provided regular debriefs and updates via email and meetings of PUNOs. Two coordination meetings were held during the last half year: the

first one in July 2020 to share and discuss the overall terms and conditions of the SDG Joint Fund, reporting mechanisms, and coordination needed; and, the second one in early October for PUNOs and RCO to provide updates and take stock of progress made over the first quarter of the JP.

Mobilization of financial resources (co-funding and co-financing)

In terms of co-funding, and in order to improve the overall planning of the INFF project, the Infrastructure Fund through the *Secretariado dos Grandes Projectors* has contributed with US \$50,000 for the year 2021 after approval of the Vice Prime Minister, Ministry of Planning and Territories. The purpose of this is to improve the process of capital budgeting and selection criteria of the public investment projects. Infrastructure Fund handles the capital budget of Timor-Leste.

A.1.3. Changes

Was the JP document modified in the past year?

- Yes
 No

The JP was not modified in the last year in terms of the JP approach, strategy, Theory of Change, expected results, workplan or budget.

A.1.4. Challenges

Did the JP face any major challenges in the past year?

- Yes**
 No

The JP' slow start has been characterized by a combination of unfavorable factors. Firstly, due to the 2020 budget crisis exacerbated by delayed decision-making in a period of political uncertainty. Secondly, the COVID-19 pandemic forced the Government to mobilize its efforts on rapid response and socio-economic recovery. Thirdly, there were changes in the Ministry of Finance as a key host institution with the previous minister stepping down due health conditions and a new appointee taking office in November 2020. These disruptions pulled key stakeholders' attention out of JP to more urgent challenges delaying some essential decisions, such as the establishment and endorsement of the INFF Oversight Secretariat and kick-off workshop.

Delay due to State Budget processes: MOF and UPMA/PMO, principal government counterparts of the INFF initiative, were very much involved in 2020 and 2021 State Budget approval processes that happened in third and fourth quarters of 2020. Continuous political uncertainty and the delays with approving state budget have hindered implementation of INFF project.

Political will: The INFF process is to be Government led and owned with technical support from PUNOs through the Joint SDG Fund. As such, a strong political will from the Government is required to own, drive and champion the INFF initiative. While the State Budget processes have been occupying the Government counterpart over the last two quarters, it is expected that the situation will change through frequent engagements in the coming months. Moreover, with only two years left for the new newly formed coalition Government, there is a livelihood that the greater focus will be placed on easy (and fast) development gains (low-hanging fruits) before the next elections, and this may have an adverse impact on ownership of the INFF process, which a long-term planning and delivery tool.

COVID-19 pandemic: While the health impact of COVID-19 in Timor-Leste has so far been minimal, the socio-economic impact has been significant, particularly for the vulnerable groups. The country has been in 9 successive continuous State(s) of Emergency (SoE) since March 2020. The COVID-19 situation may yet change in Timor-Leste, which may in turn shift Government priorities

elsewhere other than PFM reform. The international travel restrictions currently in place globally and in Timor-Leste may negatively impact the onboarding of international consultants/experts. Due to the global economic impact of the COVID-19 pandemic, it may be difficult to accurately assess the levels of the international assistance to Timor-Leste and other SIDS countries.

A.1.5. COVID-19 and other strategic alignment

The JP implementation has had to adjust to the COVID-19 pandemic. While the health impact of COVID-19 in Timor-Leste has been minimal, the Government, particularly the Ministry of Finance, has been focusing on the COVID-19 socio-economic recovery. Travel and trade restrictions imposed by the national State of Emergency /lockdown has restricted in-person access to international technical expertise for specific interventions in this initiative.

The JP is aligned with the national recovery response to COVID-19, as the INFF is part of the COVID-19 Socio-Economic Response Plan (SERP) for Timor-Leste. Timor-Leste finalized the SERP activities in October 2020, which is comprised of the 5 pillars (1: Health First; 2: Protecting People; 3: Economic Response & Recovery; 4: Macroeconomic Response and Multilateral Collaboration; 5: Social Cohesion and Community Resilience). The INFF is part of Pillar 4: Macroeconomic Response and Multilateral Collaboration. In particular, the INFF is under Output 4.3 on Stepped-up technical support to Timor-Leste Government in improving the evidence base for policy making, including in the emergency response, Activity 4.3.1⁴. The Pillar 4 contributions primarily relate to the establishment of the INFF, the pro-health taxation and the climate financing. The INFF additionally contributes to Pillar 3: Economic Response and Recovery, through contribution to Output 3.10 on Digital payments, Activity 3.10.1⁵. The Pillar 3 contributions relate to the activities revolving around diaspora financing.

A.2 Update on priority issues

A.2.1. Progress on Integrated National Financing Framework/SDG financing building blocks

Please see below the status and progress of the JP’s INFF according to the implementation stages in the table below. Please also refer to the INFF survey which has been completed online and in the attachment: <https://ee.kobotoolbox.org/x/mFDFH54N>

Implementation stages	Planned (0%)	Emerging (1-49% progress)	Advancing (50-99% progress)	Complete (100% progress)	Previously completed	Not applicable	Comments/ Notes
1. Inception phase	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Assessment & diagnostics	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Financing strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Planned for 2022
4. Monitoring & review	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Planned for 2022
5. Governance & coordination	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

⁴ 4.3.1 Integrated National Financing Framework (INFF): Map existing domestic and international public and private finance against the Government’s economic recovery priorities; cost the economic recovery plan and develop MTEF/MTBF (medium-term expenditure and budget frameworks).

⁵ Create a conducive environment for diaspora engagement and remittance transfers and ensure that money transfer agencies guarantee some continuity of service during the restrictions, acknowledging that sending and receiving remittances is an essential service.

As per the table above, some progress has been made in terms of the reporting period. The Inception phase (1) is currently under emerging progress. The Governance and coordination (5) phase, including the establishment of the INFF Secretariat is also underway, however still at an emerging phase. The Financing Strategy (3) and Monitoring and Review (4) is planned to take place primarily in 2022.

A.2.2. Thematic focus

The thematic focus of the Joint Programme are selected as below:

- | | | | |
|--|---|--|-------------------------------------|
| <input type="checkbox"/> Cross-cutting | <input type="checkbox"/> Social protection | <input type="checkbox"/> Agriculture | <input type="checkbox"/> Other..... |
| <input checked="" type="checkbox"/> Gender | <input checked="" type="checkbox"/> Health & nutrition | <input type="checkbox"/> Biodiversity | <input type="checkbox"/> Other..... |
| <input type="checkbox"/> Children & youth | <input checked="" type="checkbox"/> Climate change & nature | <input checked="" type="checkbox"/> Blue economy | <input type="checkbox"/> Other..... |

A.2.3. Gender marker

Did your Joint Programme feature Gender Results in the past year at the outcome or output level?

- Yes
 No

Briefly explain: While gender results are an important aspect of the Joint Programme, in particular

The Gender Marker’s total average scoring as defined in the JP document is 2, which fulfills the requirements of the fund.

In the JP, the Gender Marker was assessed in alignment with the Gender Marker Scoring Guidance/Instructions provided for the Joint SDG Fund. A Gender Marker Matrix⁶ was developed for the Joint Programme proposal which assessed whether or not: the context analysis integrated gender; gender equality was mainstreamed in proposed outputs; programme output indicators measure changes on gender equality; if PUNOs collaborate and engage with Government on gender equality and the empowerment of women; PUNOs collaborate and engage with women’s/gender equality CSOs; program proposes a gender-responsive budget. The scoring for each of these indicators was 2, except for the last budget indicator which was graded 1 as the Joint Program proposal did not specify gender-responsive budgeting.

It was assessed that the implementation of the INFF would have a positive impact in mobilizing additional financing for SDG investments overall, and especially for SDG 5 - Gender Equality. In mobilizing additional resources for the SDGs, women’s representation, and decision-making from government and CSOs will be important throughout the implementation and development of the INFF. Gender equality is mainstreamed within each of the proposed outputs - health, diaspora and climate financing. The work on **health financing** (output 2) focuses on enhancing domestic resources to financing health investments by including female stakeholder participation and designing the pro-health taxation with a gender-sensitive lens. It is also emphasized the need for more gender-disaggregated data. **Diaspora financing** (output 3) focuses on the development of a gender-sensitive national diaspora policy and action plan. **Climate financing** (output 4) analysis highlights that women and children (as well as the elderly, people with disabilities and people living in remote areas) are some of the most vulnerable to climate impacts, and the joint fund aims to promote greater women’s involvement in decision-making and capacity development related to climate change.

A.2.4. Vulnerable groups

⁶ 3 dimensions of the UN SWAP Score card to address key Gender Equality and Women Empowerment (GEWE) components were assessed: programming, monitoring & evaluation, partnerships and financial resources.

Will the JP directly impact marginalized and/or vulnerable groups through a dedicated outcome or output?

- Yes
 No

The JP will positively impact marginalized and/or vulnerable groups, in particular women and girls through Outcome 1, Output 3. Gender equality is however also mainstreamed throughout the JP, in terms of the impact of the INFF overall, the health financing and climate financing.

List of marginalized and vulnerable groups	Dedicated Outcome	Dedicated Output	Status (planned/in progress/complete)
Women and girls	1	3	Planned
Children	1	4	Planned
Youth	1	3	Planned
Persons with disabilities	1	4	Planned
Older persons	1	4	Planned
Minorities (incl. ethnic, religious, linguistic...)			
Indigenous peoples			
Persons of African Descent (when understood as separate from minorities)			
Migrants			
Refugees & asylum seekers			
Internally displaced persons			
Stateless persons			
Persons deprived of their liberty			
Peasants and rural workers			
Human rights defenders (incl. NGOs, journalists, union leaders, whistleblowers...)			
LGBTI persons (sexual orientation and gender identity)			
Persons affected by (HIV/AIDS, leprosy...)			
Persons with albinism			
Victims or relatives of victims of enforced disappearances			
Victims of (slavery, torture, trafficking, sexual exploitation and abuse...)			
Other: People living in remote areas	1	4	Planned

A.2.5. Learning and sharing

INFF TL has had shared experiences with INFF Maldives and Samoa, in particular related to climate financing as these are all Small Island Developing States (SIDS) also facing similar climate risks such as Timor-Leste. INFF TL plans to focus more on inter-agency learning and south-south exchanges and cooperation in the upcoming year.

A.3 Update on events and partnerships

A.3.1. Events

The events below have not yet been organized. The JP launch event is scheduled for February 2021.

Type of event	Yes	No	Comments
JP launch event	<input type="checkbox"/>	<input checked="" type="checkbox"/>	JP launch event is scheduled for February 2021
Annual donors' event*	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Partners' event **	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

*the Fund donor countries are Denmark, European Union, Germany, Ireland, Luxembourg, Monaco, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland. Please note that this event can be held together with a launch event or partners' event.

** Key advocacy outreach events with high level JP partners.

A.3.2. Partnerships

Did your Joint Programme facilitate engagement with diverse stakeholders (e.g. parliamentarians, civil society, IFIs, bilateral/multilateral actor, private sector)?

- Yes
 No

The most important strategic partnerships in the JP includes the Ministry of Finance, UPMA Office of the Prime Minister, Infrastructure Fund, Ministry for Coordination of Economic Affairs (MCAE), Ministry of Health, Ministry of Foreign Affairs (MNEC) and private sector actors such as Trade Invest.

A.3.3. Additional financing

The Joint Programme secured additional co-funding or co-financing resources in 2020 (committed after the approval of the JP by the Joint SDG Fund) from Government. The co-financing was provided through Government, Secretariat for Grant Projects amounting to US \$ 50,000.

- Yes
 No

Source of funding	Yes	No	Co-funding or Co-financing?	Name of organization	Amount (USD)	Comments
Government	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Co-funding	Secretariat for Grant Projects	US \$ 50,000	
Donors/IFIs	<input type="checkbox"/>	<input type="checkbox"/>				
Private sector	<input type="checkbox"/>	<input type="checkbox"/>				
PUNOs	<input type="checkbox"/>	<input type="checkbox"/>				
Other partners	<input type="checkbox"/>	<input type="checkbox"/>				

A.4 Strategic communications

Did the JP develop a strategic communications plan?

- Yes
 No

The JP does not yet have a strategic communications plan. The INFF Strategic communications plan will be developed in 2021 Q3, after the development of the INFF Roadmap in 2021 Q1 and Q2.

B. Annual Results

This Section B (Annual Results) provides specific information on the achievement of expected annual results and workplan, following up on the broader progress presented in the Section A (Annual Progress).

B.1. SDG acceleration

Below is a list of 3 main SDG targets that the Joint Programme primarily focused on in 2020.

- **SDG:17.3:** Mobilize additional financial resources for Timor-Leste from multiple sources;
- **SDG:3.8.2** Reduction in proportion of population with large household expenditure on health as a share of total household expenditure or income
- **SDG: 10.7:** Facilitate orderly safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies

The activities that were implemented in 2020 to accelerate progress towards these SDGs include the set up and implementation of the INFF (**SDG 17.3**). In terms of the work regarding pro-health taxation (**SDG 3.8.2**) the aim was to conduct an in-depth, specific data collection and analysis on the tax regime for tobacco, alcohol and sugar-sweetened beverages SSBs, however due to dedicated human resource constraints this could not yet be collected. In terms of diaspora financing (**SDG 10.7**), the desk review of existing literature for the

Diaspora Profiling and Mapping Survey was initiated, which will form the basis of the the Diaspora Profiling and Mapping Survey, and this was presented with the Ministry of Finance. Participants discussed ways in which the results could be used to help the government strengthen their linkages with the diaspora, build trust, devise outreach strategies according to the specific needs, interests and capabilities of diaspora communities.

B.2. Contribution to Fund’s global results

The JP has contributed the Fund’s global Outcome and Output in the first six months of the project, through the establishment of the INFF. However, no specific targets have yet been set. An alternative outcome to the global outcomes would be: Additional financing leveraged to accelerate sustainable development achievement (see Annex 1).

B.3. JP Outputs and outcomes

The JP work has contributed to specific outputs and outcomes (see Annex 1-3). In terms of the specific Results Matrix, results so far refer mostly to output-level results, however also they also contribute to outcome level results.

- Achievement of outputs
 - **Output 3** relates to the number of new policy interventions that have contributed to creating conditions for Timorese in the diaspora to contribute to financing for the SDGs. Activity undertaken in the past six months contributing to this output includes a policy dialogue on the development of the Diaspora Policy and National Action Plan with 20 stakeholders. The project’s progress towards new policy interventions will be reported in the next reporting period, which will include the development of the Diaspora Policy, National Action Plan and Remittance mobilization strategy.
- Achievement of outcomes
 - **Outcome 1** relates to Additional financing leveraged to accelerate sustainable development achievement. The progress in establishing the INFF and INFF Secretariat are key steps in moving towards this outcome.

B.4. Strategic Documents

Did the JP produce strategic documents in the last year (policy, strategies, analyses/assessments, methodological documents, and other relevant documents)?

- Yes
 No

The strategic documents for which the JP has produced so far includes the TORs for the INFF Secretariat, the Policy Note on INFF and a Desk Review for the Diaspora Profiling and Mapping Survey (see Annex 2).

C. Plan for the Next Year of implementation

Section C, Plan for the Next year of implementation highlights the approach planned for the next year (1 January 2021 to 31 Dec 2021) and towards the end of JP implementation.

C.1 Upcoming activities

The JP’s priority activities in the annual work plan (1 Jan 2021 – 31 Dec 2021) are highlighted below:

Output 1: By 2022, holistic and integrated system of financing for SDGs is strengthened (SDG 17.3):

- Further institutionalization of the INFF process by integrating INFF into the PFM Reform WG mandate and by establishing of fully functioning INFF Secretariat thus paving road for better

- governance, coordination and monitoring of the INFF and SDG financing (building blocks 3&4);
- MOF and UPMA to finalize and agree on PFM WG and Secretariat membership, roles and responsibilities – kick-off workshop (UNDP, EU, etc.) to agree on INFF Secretariat, process to be followed for INFF Inception, INFF Engagement Plan and Timeline;
 - Bilateral stakeholder consultations with key ministries and non-state partners: to collect new data, recent policy and analytical documents, information on the state of play of financing policy reforms across all types of finance and other donor initiatives and financing instruments (current and planned)/ for the assessment of BB1;
 - OT Workshop to shape and refine BB1 findings and initial recommendations for the INFF Roadmap and for continued alignment with government priorities for financing and ownership over the process;
 - BB2 Assessment consultations through a Secretariat; and OT workshop to shape and refine BB2 findings and initial recommendations for the INFF BB2 and for continued alignment with government priorities for financing and ownership over the process;
 - Multi stakeholder validation workshop for the INFF BBs 1-4 based on results of the assessment and alignment with government priorities for financing and ownership over the process;
 - Initiating INFF Roadmap: bilateral consultations with public and private sector around BB2 & BB4 to identifies steps for development and operationalization of financing strategy, including governance settings; as well as consultations to identify monitoring mechanisms and further assessments necessary to have crystal picture of INFF landscape (BB3, BB1);
 - INFF roadmap discussion at multi-stakeholder meeting (such as TLDPM).

Output 3: Gender sensitive and systematic reform to engage diaspora for financing towards sustainable development is created

Under output 3, priority activities include the development of the Gender-inclusive Diaspora Policy and Diaspora National Action Plan that promotes sustainable development. The project also plans to conduct in-depth consultations with relevant stakeholders; consult with partners to ascertain what kind of information is needed from diaspora members to facilitate their work or analysis on diaspora contributions; reach out to the diaspora members, consulate representatives; and conduct interviews physically or telephonically to get their view on their expectation for the National Diaspora Policy and National Action Plan. In addition, emphasis will be placed on developing the Remittance Mobilization Strategy to ensure coherence with the National Diaspora Policy and National Action Plan through the Technical Working Group. The project will undertake Diaspora profiling and mapping survey. Moreover, the project will develop the Diaspora financing dashboard for the SDGs in Timor-Leste and begin preparations for the pilot diaspora investment scheme to support local authorities to engage with diaspora associations in leveraging diaspora financial remittances into national and community level socio-economic development.

Output 4. Financing for climate related SDGs is integrated into sectoral development plans and budget processes:

- Conduct Climate Public Expenditure and Institutional Review (CCPEIR) to contribute to the diagnostic assessment and engagement with Secretariat and PFM WG to review and refine the first draft of Climate Finance Assessment (CCPEIR) and initial recommendations CFF and Climate Budget Tagging (CBT) roadmap;
- Discuss CCPEIR results, CBT and CFF roadmap at multi-stakeholder meeting consultations identifying measures to develop integrated financing solutions.

In terms of the JP's expected annual results (outputs and outcomes) for 1 Jan 2021 – 31 Dec 2021:

Output 1: By 2022, holistic and integrated system of financing for SDGs is strengthened (SDG 17.3):

- The INFF Scoping Assessment Report, including financing needs, trends & risks covering post-COVID recovery;
- INFF plan and roadmap - approved;
- Initial draft of the Integrated Strategy.

Output 2: Enhanced domestic resources to finance health investments the expected annual results for this period is the development of an Assessment report on social, economic and health rationale of pro-health taxes as well as an Analysis of the existing tax regime and the available taxation measures.

Output 3: Gender sensitive and systematic reform to engage diaspora for financing towards sustainable development is created.

Under output 3, the expected annual results for 1 Jan 2021 – 31 Dec 2021 includes finalizing the draft Gender-inclusive Diaspora Policy, Diaspora National Action Plan and Remittance Mobilization Strategy and sharing with key stakeholders for incorporation of feedback. In addition, it is expected that the Diaspora profiling and mapping survey will have been initiated; development of the diaspora financing dashboard for the SDGs in Timor-Leste will have commenced and the planned pilot diaspora scheme to support local authorities to engage with diaspora associations will have been designed.

Output 4. Financing for climate related SDGs is integrated into sectoral development plans and budget processes:

- CCPEIR results, CBT and CFF roadmap discussed and included into INFF Roadmap.

C.2. Expected changes

There are no expected modifications to the work plan, budget Theory of Change and results framework between 1 Jan 2021 – 31 Dec 2021.

C.3. Risks and mitigation measures

Are there any changes made/expected to be made to the Risk Matrix?

- Yes
 No

There are no changes made/expected to be made to the Risk Matrix (see Annex 4). The main risks include: contextual risks, programmatic risks, institutional risks and fiduciary risks. The **contextual risks** relate to risks of political impasse, which could have an adverse impact on the overall program. The main mitigating measure is to work closely with an PFM Reform Working Group until the INFF Secretary (previously Oversight Committee) is created. The **programmatic risks** relate to the that the INFF is a relatively new concept and may attract low participation, therefore efforts will be made to raise stakeholder awareness and knowledge through cross-sectoral dialogues. **Institutional risks** relate to weak coordination between the Ministry of Finance) MoF and the Planning, Monitoring and Evaluation Unit (UPMA), therefore technical

assistants will be hired to support Government with cross-sectoral planning and coordination, including an embedded national INFF coordinator. **Fiduciary risks** relate to the risk of an agency handling JP's funds in a manner that do not live up to standards and conditions of the funds, however the risk is anticipated to be very low.

Annex 1: Consolidated Annual Results

1. JP contribution to global programmatic results (annual)

Please see the data for the Joint SDG Fund global results, as per targets defined in the JP document.

Joint SDG Fund Global Outcome 2: Additional financing leveraged to accelerate SDG achievement (Update table below)

Indicators	Target 2020	Result 2020	Target 2021
2.1: Ratio of financing for integrated multi-sectoral solutions leveraged in terms of scope (for other/ additional sector/s or through new sources/means)	NA	NA	TBD
2.2: Ratio of financing for integrated multi-sectoral solutions leveraged in terms of scale (for the same multi-sectoral solution.)	NA	NA	TBD

Joint SDG Fund Global Output 4: Integrated financing strategies for accelerating SDG progress implemented (Update table below and provide details as requested)

Indicators	Target 2020	Result 2020	Target 2021	List of strategies/ frameworks developed
4.1: #of integrated financing strategies that were tested (disaggregated by % successful / unsuccessful)	0	0	100%	None
4.2: #of integrated financing strategies that have been implemented with partners in lead disaggregated by (1) government/public partners (2) civil society partners and (3) private sector partners	0	0	1	None
4.3: # of functioning partnership frameworks for integrated financing strategies to accelerate progress on SDGs made operational	0	0	1	None

2. Selected global performance indicators (annual)

2.1. Did your Joint Programme contribute to the improvement of the overall UNCT coherence in 2020?

- Yes, considerably contributed
- Yes, contributed
- No

The Joint Programme contributed to overall UNCT coherence in 2020. The INFF is contributing to the United Nations Sustainable Development Framework (UNSDCF), in particular to Outcome 5 on Accountable, Inclusive and Participatory Governance and Quality Public Services. The JP is also contributing to the COVID-19 Socio-Economic Response Plan (SERP).

2.2. Did your Joint Programme contribute to 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?

- Yes,
- No
- N/A (if there are no other joint programmes in the country)

As the INFF Secretariat and INFF Oversight Committee has not yet been finalized and established, the JP has not yet contributed to reduced transaction costs for participating UN agencies in interaction with national-regional and local authorities and-or public entities. It is however anticipated that the INFF will contribute to reduce the transaction costs.

2.3. Was your Joint Programme aligned with the UNCT Results Groups in 2020?

- Yes
- No

Yes, the JP was aligned with the UNCT/UNSDCF Results Groups in 2020. In 2020, the UNSDCF Results Groups met for the first time, and the INFF is a joint activity integrated under Outcome 5 or Results Group 5 on Accountable, Inclusive and Participatory Governance and Quality Public Services. In particular, the INFF is contributing to Sub-Outcome 5.2: Reform of public administration, so that "By 2025, people access effective and innovative public administration facilitated by SDG-focused, evidence-based and gender-responsive planning and budgeting systems and professional and meritocratic civil service professionals at all levels." The INFF is specifically referred to in joint activity 5.2.6.

3. Results as per JP Results Framework (annual)

The INFF project in Timor-Leste began on 1st of July 2020. As per the Results Matrix in the Timor-Leste final proposal, the full Year 1 target covers the period 1st of July 2020 – 30th of June 2021, and this is equal to the Expected 2021 target. The Year 2 target covers the period 1st of July 2021 to 30th of June 2022, and this is equal to the Expected final target.

Result / Indicators	Baseline	Expected 2020 Target ⁷	2020 Result	Reasons for variance from planned target (if any)	Expected 2021 target	Expected final target (if different from 2021)
Outcome 1: Additional financing leveraged to accelerate sustainable development achievement						
Outcome indicator 1: Percentage increase of public investments mobilized within SDG aligned programs and objectives as a proportion of total domestic budget	2020 National budget	NA	NA		2%	5%
Outcome indicator 2: Percentage increase of ODA and other investments mobilized for sustainable development objectives and initiatives from private sources.	TBD	NA	NA		Stable trends I	Increasing trends
Output 1.1 A holistic and integrated system of financing for SDGs is established and implemented						
Output 1 Indicator: Number of new INFF policies and initiatives that contribute to the development and implementation of a more holistic and integrated systems of financing	None	NA	0		1	2
Output 1 Indicator Number of priority reforms implemented on pro-health taxation, diaspora engagement, and climate financing	None	NA	0		1	2
Activity 1.1.1 Number of meetings INFF financing policy dialogue roundtables among	0	NA	4	These meetings were led by the Ministry of Finance (although not	1	2

⁷ This target refers to the period 1st of July 2020 – 30th of June 2021 (i.e. the 1st full year), as per the INFF Joint SDG proposal. Agencies are only reporting on the first six months of programme implementation, and therefore the Year 1 annual target will not likely be met.

key policy makers and private sector stakeholder led by the Oversight Committee				yet officially as the Oversight Committee)		
Activity 1.1.2 An integrated financial strategy is articulated bringing together policies, instruments, and partnerships used to govern public & private finance.	None	NA	0		1	0
Activity 1.1.3 Number of meetings held by the Technical Working Group	None	NA	3		3	3
Activity 1.2.1 An INFF Roadmap articulating subsequent steps that to be undertaken to fully operationalize the developed, agreed to and adopted by the Oversight Committee.	None	NA	0	The Road map is expected to be developed in 2021.	1	1
Activity 1.2.2 Number of dialogues held with multi-stakeholders (private sector, CSOs and academia, etc) is established	None	NA	0		3	6
Activity 1.3.1 Effective measurement and monitoring frameworks adapted and/ or developed to measure outcomes of the private sector investments and their impact on the SDGs and the SDP	None	NA	0		0	1

Result / Indicators	Baseline	Expected 2020 Target	2020 Result	Reasons for variance from planned target (if any)	Expected 2021 target	Expected final target (if different from 2021)
Output 2: Enhanced domestic resources to finance health investments						

Output 2 indicator Redesigned pro-health tax implemented in the tax structure and schedules of the government	Existing tax regime	NA	NA	In-depth, specific data on the tax regime for tobacco, alcohol and sugar-sweetened beverages (SSBs) could not be collected due to dedicated human resource constraints	None	Updated pro-health tax framework endorsed / Initiation of implementation of revised pro-health tax framework
Activity 2.1.1 Assessment report on social, economic and health rationale of pro-health taxes	None	NA	Consultation on structure of the assessment report discussed with WHO Regional Office and HQ	Delays in recruiting international consultant due to travel restrictions	Assessment Report	Production of assessment report
Activity 2.1.2 Analysis of the existing tax regime and the available taxation measures	None	NA	Framework to collect information on the current tax regime developed	In-depth, specific data on the tax regime for tobacco, alcohol and sugar-sweetened beverages (SSBs) could not be collected due to dedicated human resource constraints	Review of current tax regime	Analytical paper
Activity 2.2.1 Number of stakeholder consultations (major organized events)	None	NA	None in the first six months	Inability to hold stakeholder consultations due to lack of dedicated international consultant to lead this process (travel restrictions), priority to respond to COVID-19 as the main health lead and restriction in holding large stakeholder meetings due to physical distancing and social	2	2

				measures due to COVID-19		
Activity 2.3.1 Policy recommendation paper on pro-health taxes with legal provisions, procedural changes, and tax structure and schedules	None	NA	NA	NA	None	Report submitted to the COM/Parliament

Result / Indicators	Baseline	Expected 2020 Target	2020 Result	Reasons for variance from planned target (if any)	Expected 2021 target	Expected final target (if different from 2021)
Output 3: Gender responsive and systematic reform to engage diaspora for financing towards sustainable development created						
Output 3 indicator Number of new policy interventions that have contributed to creating conditions for Timorese in the diaspora to contribute to financing for the SDGs.	0	NA	The project's progress towards new policy interventions will be reported in the next reporting period. This will include the development of the Diaspora Policy and National Action Plan		1	3
Activity 3.1.1 Numbers of stakeholders participating in policy dialogues	0	NA	In the first six months of the project,		30	60

			20 stakeholders participated in the policy dialogue on development of the Diaspora Policy and National Action Plan			
Activity 3.2.1 Number of dialogues held with multi-stakeholders.	0	NA	NA		1	2
Activity 3.2.2 Diaspora profiling and mapping is available.	No	NA	Diaspora profiling and mapping is ongoing. The desk review of existing literature for the Diaspora Profiling and Mapping Survey is being drafted and some of the preliminary findings of the desk review have been shared with key stakeholders.		Yes	Yes

Activity 3.3.1 Diaspora financing dashboard for SDGs in Timor-Leste is available.	No	NA	NA		No	Yes
Activity 3.3.2 Pilot diaspora engagement scheme is made available	0	NA	NA		No	Yes

Result / Indicators	Baseline	Expected 2020 Target	2020 Result	Reasons for variance from planned target (if any)	Expected 2021 target	Expected final target (if different from 2021)
Output 4: Financing for climate related SDGs is integrated into sectoral development plans and budget processes.						
Output 4 indicator Policy framework and institutional capacity for Catalysing Finance Toward Green and Climate-Resilient Development	0	NA	0		1	3
Activity 4.1.1 Road Map with feasible Climate Financing options developed for TimorLeste.	None	NA	0		Yes	1
Activity 4.1.2 Institutional capacity assessment to integrate climate financing into sectoral and/or sub-sectoral plans	None	NA	0		1	1
Activity 4.2.1 Innovative climate financing mechanisms and instruments developed	None	NA	0		At least 1 financing mechanism or plan with budget	
Activity 4.2.2 Consultations to conceptualize feasible investment models, mapping of potential donors and establishing the framework to	None	NA	0		Stakeholders engaged in at least 1 event/forum	Validation of climate financing models

support climate-resilient development pathways.						
Activity 4.3.1 At least one financing model developed into a viable programme that's piloted and monitored	None	NA	0		Model developed into programme and piloted	Documentation of best practices and lessons learned, M&E

Annex 2: List of strategic documents

Below are tables focusing on documents of particular strategic importance for the JP results and the priorities of the Joint SDG Fund in this portfolio.

1. Strategic documents that were produced by the JP

Title of the document	Date (month; year) when finalized	Brief description of the document and the role of the JP in finalizing it
INFFTL Needs Assessment Matrix	December	This Matrix presents summary findings and recommendations from various reports on development financing in Timor-Leste. The findings and recommendations are presented in line with five dimensions of an integrated approach to financing sustainable development. They include (1) assessing current trends in financing; (2) integrated planning and financing; (3) public-private collaboration; (4) monitoring and review; and (5) transparency and accountability. Findings and recommendations from various existing PFM reports are summarized in this note as they are relevant to each of the dimension
Policy Notes (1-5) on INFF	December 2020	1) Understanding the Financing landscape in Timor-Leste, 2) Integrated Planning and financing 3) Private Public Collaboration; 4) Monitoring & Review 5) Transparency & Accountability
Desk Review for the Diaspora Profiling and Mapping Survey	November 2020 (preliminary findings presented to Government)	The desk review of existing literature for the Diaspora Profiling and Mapping Survey was initiated. The desk review will form the basis of the Diaspora Profiling and Mapping Survey in two interrelated parts: the first part of this research will focus on the Timorese diaspora in general while the second part focuses on the mapping of Timorese diaspora associations.

2. Strategic documents for which JP provided contribution

Title of the document	Date (month; year) when finalized	Brief description of the document and the role of the JP in finalizing it
NA	NA	NA

Annex 3: List of strategic communication documents

Below responses provide input to the data for 2020 overall.

1. Have you created a strategic communication plan for the Joint Programme?

- Yes
- No

Explain briefly:

2. What percentage of the annual budget towards communications was utilized from the total budget? (Note that the entire JP comms budget must be min 5% of the total JP budget)

Explain briefly: 0 %

3. Have visibility outcomes increased due to the provided funding for JP strategic communications?

- Yes
- No

Explain briefly: As the INFF is in its inception phase and the strategic communications plan is not yet drafted, the visibility outcomes have not increased.

4. Does the Country Profile Page on the Joint SDG Fund website contribute to your JP outreach?

- Yes
- No

Explain briefly: The Country Profile Page on the Joint SDG fund contributes to the JP outreach, however Timor-Leste is still in the inception phase of the INFF

5. How many articles (interviews, human interest stories, press releases, expert insights, etc) about your JP were published by an external media outlet (Non-UN published)?

Total number: 0

Explain briefly: This is because the INFF is still in its inception phase

6. How many articles (interviews, human interest stories, press releases, expert insights, etc) about the Joint Programme were published by the UNCT and JP PUNOs?

Total number: 0

Explain briefly: This is because the INFF is still in its inception phase

7. Have you received an increase of social media followers?

- Yes
- No

Total number: (Not mandatory)

Explain briefly:

Multi-Media Faucets

The table below focuses on the most important strategic communication documents (factsheets, promotional materials, infographics, videos, etc.).

Title of the document	Date	Brief description and hyperlink (if it exists)
-----------------------	------	--

	when finalized (MM/YY)	
NA		

Social Media Campaigns

The table below focuses on the highest social media impressions or campaigns.

Title of the document	Type (FB/Twitter/LinkedIn/Etc.)	Brief description and hyperlink (if it exists)
NA		

Annex 4: Updated JP Risk Management Matrix

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					
The process of establishing and implementing INFF is to be undertaken in close coordination and guidance by the Government of Timor-Leste (the Inter-Ministerial Council as the Oversight team). The ongoing political impasse, which started in 2018, will have an adverse impact on the overall program, including the revival of the Inter-Ministerial Council	High	4	4	Pending resolution to the political impasse, the JP will operate at the technical level. For example, for the INFF Initiative, the JP will utilize the PFM Reform Working Group ⁸ until the INFF Secretariat ⁹ is created. The DFA Oversight team were drawn from leading government entities such as the Office of Prime Minister, the Ministry of Planning and Finance and other government institutions.	UNDP, EU, and the Government of Timor-Leste
Programmatic risks					
Delayed implementation of JP if an early election is called to solve the current impasse	High	4	4	The UNCT will request adjustments to be made to the timelines for the implementation and completion of the JP taking into consideration the development context on the ground.	UN agencies (UNDP/WHO/IOM)
A relatively new concept, INFF might attract low participation and representation from other stakeholders in the INFF dialogues	Moderate	3	3	Efforts will be made to raise stakeholder awareness through establishment of systematic platform for dialogues around the INFF building blocks. These cross-sectoral dialogues will be held on regular basis to discuss and share knowledge and experience on the INFF, and other related initiatives	UN agencies (UNDP/WHO/IOM) and the EU.

⁸ Previously DFA Oversight team

⁹ Previously INFF Oversight Committee

Difficulty in recruiting national and international staff for the INFF Initiative and others due to limited capacity and travel restrictions and this may have adverse impact on the implementation the JP	Moderate	3	3	The best candidates from among the applicants will be recruited and paired with international technical advisors to ensure regular mentoring and capacity building. For INFF Initiative, for example, specialists and technical advisors will also be embedded within the government of Timor-Leste to provide technical and coordination support. Support will also be provided in-country from UNDP management and the RCO, as well as remote technical support from BRH and HQ through webinars, calls, etc. It has also not been able to recruit international technical experts for some outputs (e.g. pro-health taxes) due to the travel restrictions imposed by COVID-19 lockdowns.	UNDP
Political impasse on the decisions around pro-health taxes	High	3	5	The initiative will mobilize multiple advocacy platforms and stakeholder engagements including Committee F of the National Parliament (WHO already has a mechanism established for dialogue with this Parliamentary Committee) and Development Partners for Health Coordination Group (WHO and EU co-chairs this group)	WHO & UNDP
The global Corona Virus (COVID-19) outbreak may also hamper the implementation of the Joint Fund	High	3	5	Although virtual and distant engagement could be pursued, given Timor-Leste's context (low internet, poor ICT infrastructure), the JP's implementation will need to adjust with the pressing challenges TimorLeste is facing.	
Institutional risks					
Weak coordination between the Ministry of Finance (MoF) and the Planning, Monitoring and Evaluation Moderate 3 3 For the INFF Initiative, the JP will hire technical assistants	Moderate	3	3	For the INFF Initiative, the JP will hire technical assistants to support Government with cross-sectoral planning and coordination, including an embedded national INFF coordinator	UN agencies (UNDP/WHO/IOM)

to support Government with cross-sectoral planning and coordination, including UN agencies (UNDP/WHO/IOM) 50 Unit (UPMA) of the PMO will delay the development and operationalization of the INFF initiatives				who will support the gov stakeholders with planning and coordination.	
Low participation from key government institutions.	Low	2	2	The Government of Timor-Leste has made its global commitment to become one of the 15 pioneer countries to implement the INFF. The Office of Prime Minister and the Ministry of Finance confirmed their commitment to support the initiative. At the management level, the further discussions will be held by the EU, UNDP and RCO.	Co-led by UNDP and the EU under strategic guidance from the RCO, as well as with support from other UN agencies
Fiduciary risks					
The risk of an agency handling Joint Programmes' funds not living up to the standards and conditions of the fund	Very low	1	1	Fiduciary risk anticipated is very low as resource from the Joint SDG Fund will be managed using the systems of the participating agencies	All participating agencies