



# Joint Programme 2021 Annual Progress Report

## SDG Financing Portfolio - Component 1

### Cover page

**UNCT/MCO:** Belarus

**Reporting Period:** 1 January - 31 December 2021

**JP title:** Promoting SDG Performance-based Budgeting that Prioritize Vulnerable Populations in Belarus

**PUNOs:** UNDP, UNICEF, UNFPA, UN-Women

**Government partner:** Ministry of Finance

**Target SDGs:** SDGs 1, 3, 5, 17

**Gender Marker:** 2.5

**Approved budget:** USD 993,104

**Co-funding:** USD 194,500

**Total Disbursement by 2021:** USD 489,924

**Total estimated expenditures:** USD 134,027 (est. Delivery rate: 27.4%)

**Total estimated commitments** (including expenditures): USD 352,270 (est. Committed rate: 71.9%)

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### Executive Summary

UNICEF undertook measurements of child-focused public expenditures in four municipalities to strengthen capacity of performance-based budgeting for integrated state support and social services. Qualitative data on multidimensional child poverty and targeted social assistance were collected through focus groups discussions and in-depth interviews with parents. A roundtable among key stakeholders on improving the welfare of families with children and effectiveness of targeted state social assistance was conducted, resulting in an agreement to establish an inter-sectoral working group with the participation of the National Statistical Committee (Belstat) in the joint validation of indicators and updating measurements of multidimensional child poverty. UNFPA contributed to the development of a normative budget planning method focused on the cost of budgetary services per consumer, in particular capacity building of health managers and development of new financial frameworks in healthcare with the focus on reproductive health and gender sensitivity, UNDP initiated work on conducting the Finance Assessment (FA) in the area of environmental protection and rational use of natural resources. An international expert was hired to carry out the analysis of Belarusian green growth. The results of the analysis of Green economy development is going to be used as a data source for development finance (DF) analyses on Climate and Earth-related

SDG's financial flows. The activity will have a direct impact on the 1st SDG accelerator (Green transition for inclusive and sustainable growth).

## Annual Progress

### Overall JP self-assessment of 2021 progress:

Satisfactory (majority of expected results achieved; 1 to 3 months delay in implementation)

**Comments on self-assessment:** The Joint SDG JP has the buy-in from Government, including all ministries involved. Its activities are being implemented as planned with no significant programmatic changes. However, it has faced delays with regards to the expected timeline due to several reasons. Challenges linked to a changing political situation have been deepening over the last year, affecting the agendas of all national stakeholders. For PUNOs, the impact of economic sanctions by donor countries and the liquidation of civil society organizations has forced changes in the modality of delivery and creates delays in working with international experts. The prevailing situation has led to a reprioritization of Government activity to emergency and ad-hoc issues that also impacted on the scheduling of activities. In spite of these hurdles, the programming and substance of the activities remain topical for authorities and the activities of the JP are expected to be completed as originally planned. Agencies have made significant progress in most of their interventions, including the development of budget frameworks and capacity building, even if some activities have taken more time to implement than initially scheduled.

### Overall progress and key developments to date (3 key JP milestones)

UNICEF collected qualitative data on multidimensional child poverty and needs in social services through conducting focus group discussions and in-depth interviews with parents (two life stories were developed). A sociological company was hired to continue conducting a quarterly survey of needs of families with children and advancing methodology for measuring multidimensional child poverty. UNICEF also revised the dashboard on child poverty and coverage of children with benefits <https://unicef.by/en/poverty/> A presentation was delivered by UNICEF at the international e-conference on child well-being devoted to the 30th anniversary of Kazakhstan's Independence, hosted by Kazakh Institute for Economic Research and UNICEF, which allowed to share with an expert audience the work on measurement and analysis on child well-being and multidimensional child poverty. In addition, a thematic webpage was launched, dedicated to child budgeting and an interactive dashboard (accessible at: <https://unicef.by/en/childbudgeting/>) UNICEF together with national partners started a research study on child-focused public expenditure measurement, social assistance services and capacity development for performance-based budgeting with active participation of the Local Governments. The undertaking of the study resulted in the following intermediate deliverables: 1) The child-focused expenditures were measured and analysed at the National level and in 4 municipalities (Minsk City, Borisov, Molodechno, Novopolotsk municipalities); and 2) recommendations were elaborated on how to improve the current practice in Belarus towards the UNICEF C-PEM approach and best practices.

UNDP and the RCO undertook research on SDG Financing and Funding Framework for Belarus and prepared a draft report. The report contains a mapping of available financial flows in Belarus that could be leveraged for financing SDGs for the period 2021-2025. Furthermore, the National Action Plan on the Green Economy for 2021-2025, which was developed by national authorities in close collaboration with UNDP was adopted, including sections on Green Financing and other innovative financial instruments for implementation of 2030 Agenda (accessible at [https://economy.gov.by/ru/nac\\_plan-ru/](https://economy.gov.by/ru/nac_plan-ru/)). New partnerships were established in significant areas foreseen in the JP as follows: 1) the National Statistical Committee was involved into the discussions on improvement of national statistics and importance of Development Finance Assessment (DFA) to achieve the SDGs; 2) The use of methodology of Global Green Economy Index for tracking of progress for SDGs 13-15 was approved by Ministries of environment and economy, -the Institute of Economy agreed to monitor the progress on a quarterly basis using the index-; and 3) the Mogilev oblast executive committee expressed its potential interest to be the part of DFA and act as a pilot site for activities of the JP. UNFPA developed a needs assessment of healthcare managers on knowledge and skills on normative budget planning methods focused on the cost of budgetary services per one consumer. Together with national partners, it conducted three initial webinars for working group on new financial frameworks,

which were held to establish cooperation and common understanding between experts. UNFPA also supported technical support for a Draft Order of the Ministry of Health on a new approach for budgeting of outpatient services with a gender dimension. As a result of its interventions, results included identification and adaptation of relevant international practices as a basis for developing a conceptual and methodological framework to integrate SDGs in budgeting in the following areas: national cervical cancer prevention programme, improvement of quality of perinatal care and normative budgeting in healthcare with a gender approach. The frameworks were analysed and adaptation for the local usage proposed, emphasizing results-based budgeting approaches.

**Changes made to JP:** Only two budget lines by UNDGA categories was modified by UNFPA to accommodate situation on the ground

**Main Challenges:** Only two budget lines by UNDGA categories was modified by UNFPA to accommodate situation on the ground

## Updates on SDG financing framework

Inception phase	Assessment Diagnostics	Financing Strategy	Monitoring Review	Governance Coordination
Completed (100%)	Emerging (1-49%)	Planned (0%)	Planned (0%)	Emerging (1-49%)

## Descriptions on progress by INFF building blocks

**Inception Phase:** During the reporting period, the Inception Phase was launched and fully completed. To lay the groundwork for national ownership of the INFF process UNDP team held consultations with national partners represented by the Ministry of Economy, the Ministry of Natural Resources and Environment (MNRE) and other relevant departments. The meetings held made it possible to develop and approve a work plan with MNRE to enlist the expert support of the Ministry of Economy. As part of the INFF Roadmap formulation, distinct tools for Assessment and Diagnostics were identified as priority areas for cooperation for the short-term horizon. In particular, the agreement was reached to start the INFF Building Block 1 activities by launching DFA and RIA assessments. The final INFF Roadmap will be drafted as part of the DFA formulation process and consultations with the government counterparts. In order to identify an institutional home for the INFF process, UNDP enlisted the support of the government interdepartmental working group on the Green Economy, and held a discussion of the assessments implementation (RIA and DFA) issues that was included in the Government’s plan for the green economy for 2022. To start the process of developing the INFF roadmap, despite all the difficulties in hiring expert advice in a context of foreign sanctions and suppression of research entities, the UNDP team formed a working group for DFA and RIA assessments, including several international experts, representatives of UNDP RO and national experts (representatives of science, educational institutions and relevant ministries).

With the undertaking of the steps above referred, the Inception Phase was completed and formed the grounds for launching the Building Block 1 Phase of INFF operationalization in Belarus.

**Assessment & Diagnostics:** During 2021, DFA and RIA assessments were launched. 1. In order to estimate the cost of implementing national sustainable development priorities, the RIA working group analyzed the list of state programs for 2021-2025 (32 pcs.), identified 24 of them for subsequent analysis for compliance with planetary and national SDGs. 10 State programs were studied and analyzed by the working group and sent to the state bodies responsible for their development for clarification. 2. To inform resource mobilization targets, engage development partners and match finance types with planned investments work is underway to develop a dashboard based on the results of RIA. 3. To provide an approximation of future spending needs and, alongside an assessment of current financing trends, to help Belarus determine financing gaps, the DFA assessment was launched. Because of new foreign sanctions, working with international experts was affected and there were delays identifying individuals willing to undertake the work. the DFA International Consultant (under Activity 1) was hired in December 2021,

after which a work plan of the team was developed and approved, consultations were also held with national partners on their participation in the DFA assessment 4. To allow Belarus to increasingly draw on alternative forms of financing particularly from private sector, including by setting up SDG social impact funds, harnessing climate finance, low carbon development, green financial instruments the analysis of the position of Belarus in Global Green Economy Index was carried out. An assessment was made to measure the efficiency of budgetary spending for the development of different sectors of the economy and the environmental related SDGs.

**Financing Strategy:** N/A

**Monitoring & Review:** N/A

**Governance & Coordination:** N/A

## Priority Cross-cutting Issues

### How did the JP adapt to the COVID-19 context

The JP has been included in the SERP, which was updated during summer 2021. COVID-19 related restrictions affected ability to provide education and trainings although online modes were used as often as possible. Agencies changed focus to the online activities, and increased the use of ICTs, including for research study working group members and communication with the general public. For example, UNICEF worked on interactive dashboards on poverty and child budgeting); and UNFPA and the Ministry of Health worked together on the development of distances learning tools on results0based budgeting for healthcare managers.

### How did the JP apply the Gender Marker

UN Women focused its efforts for building the platform for introduction of the GRB during year 2 of the project implementation, which will contribute to strengthening national policies and legislation for the promotion of gender equality and the empowerment of all women and girls in the country.

Agencies mainstreamed the inclusion of gender data and indicators in development of the new budgeting methods and approaches, including a gender breakdown of costs and expenditures by UNFPA with the Ministry of Health. Most activities on results-based budgeting were focused on gender sensitive healthcare services (e.g. cervical cancer prevention and high-quality perinatal services). UNICEF considered the gender marker in the course of child focused public expenditure measurement. UN Women led coordination and discussions, including at the management level within the Ministry of Labour and Social Protection. A dialogue on the introduction of Gender Responsive Budgeting (GRB) was started to identify and ensure best modality of cooperation for its JP activities in 2022. Within the framework of hiring experts, a gender balance was observed in hiring by agencies

*Estimated % of overall disbursed funds spend on gender: 50%*

### Alignment with cross-cutting UN issues (e.g. human rights, decent work, inclusion, LNOB)

The Global Green Economy assessment has focused on the creation of “green” jobs to achieve higher levels of economic productivity through diversification, technological upgrading and innovation and ensure decent work and equal opportunity, with a focus on vulnerable groups. Other activities undertaken during 2021 will contribute to outcome level improvements in data collection on health, child and gender budgeting by year 2025 and related sustainable development impact. They will have a long-term impacting on achieving progress on improving the system of collection, monitoring, analysis and use of disaggregated data in accordance with principles of LNOB, gender equality and human rights-based approaches.

## **How did the JP work to build ownership and buy-in of key stakeholders**

A National SDG mechanism on the 2030 Agenda implementation (Council for Sustainable Development, intersectoral and regional groups on SDGs) is used as a platform for involvement of different national stakeholders. Joint working groups with participation of the UNDP and national partners (Ministry of Environment and Institute of Economy) were created and functioned 2021. In addition, joint plans for implementation of the JP were signed by the UNDP and national partners (e.g. Ministry of Environment and Institute of Economy) are signed for 2021-2022 and have been implemented during 2021. UNICEF Reached an agreement with the Ministry of Labour and Social Protection (national partner) to take commitment by signing the Plan of Cooperation where JP deliverables are reflected. It also set up a national team (working group) for undertaking studies (incl. researchers, experts, civil servants from National Agencies and Local Governments / Child and Adolescent Friendly Cities.)

## **Annual Reporting on Results**

### **Results achieved in promoting the priority thematic SDG agendas**

UNFPA focused on mainstreaming SDGs on health and gender equity (3 and 5) through promotion of universal access to healthcare with the focus on sexual and reproductive health and implementation of gender-specific normative approach in the budgeting of outpatient care. UNICEF's work focused on SDG 3. It partnered with authorities, academia, think tanks and research companies to prepare investment cases that identify cost effective ways to provide equitable services for children. Using a child-focused public expenditure measurement framework, recommendations are being made to allocate public spending to reduce multidimensional child poverty. Performance-based budgeting will be integrated into training programmes for civil servants. UNDP focused on SDG 17. In order to contribute to the 1st SDG accelerator (Green transition for inclusive and sustainable growth) under Outcome 3, Activity 1. "Conducting the Finance Assessment (FA) in the area of environmental protection and rational use of natural resources". It undertook an assessment of all the necessary preparation needs and an international expert was hired to carry out the analysis of Belarusian green growth. The results of the analysis of Green economy development is going to be used as a data source for development finance (DF) analyses on Climate and Earth-related SDG's financial flows.

### **JP contributions to the Joint SDG Fund's global results (especially around Outcome 2 & Output 4)**

With regards to Outcome 2, the measurement is not available for the existing Joint Programme. An alternative outcome that was suggested is "Progress is made in the adoption of results-based normative budget methodology that can contribute to SDGs". During the reporting period, the Ministries of Health and the Ministry of Labour and Social Protection gained learning on these methodologies.

With regards to Output 4, the Government continues implementation of a public finance reform, to which the development of modern methods for undertaking social, environmental and gender sensitive expenditures will add on, thus allowing for more integrated financing strategies. In 2021, The preparation phase of a new Rapid Integrated Assessment (RIA), The BioFin (Biodiversity Finance) methodology were carried out by UNDP. A Global Green Economy Index Assessment was undertaken, the results of which were presented on the National Conference for partners and will be published in April 2022

### **Progress against JP-specific outcomes**

UNFPA promoted diagnostic tools and results-based budgeting aimed at effective use of financial resources for sexual and reproductive health. UNICEF promoted transparency and openness of child-focused fiscal and child poverty data for key stakeholders and general public. UNDP focused on the preparation phase of Rapid Integrated

Assessment (RIA), The BioFin (Biodiversity Finance) methodology was carried out. The Global Green Economy Index Assessment was done, the results of it were presented on the National Conference for partners and will be published in April 2022

### **Progress against JP-specific outputs**

UNFPA contributed to development of diagnostic financial tools in healthcare, costing planning tools and results-based budgeting. UNICEF contributed to a quarterly survey of needs of families with children and advancing methodology for measuring multidimensional child poverty, child-focused public expenditure measurement for local governments, advocacy and data dissemination. UNDP focused on development finance. In order to estimate the cost of implementing national sustainable development priorities, the RIA working group analyzed the list of state programs for 2021-2025 (32 pcs.), identified 24 for subsequent analysis for compliance with planetary and national SDGs. 10 State programs were studied and analyzed by the working group. In order to allow Belarus to increasingly draw on alternative forms of financing particularly from private sector, including by setting up SDG social impact funds, harnessing climate finance, low carbon development, green financial instruments the analysis of the position of Belarus in Global Green Economy Index was carried out. An assessment is made to measure the efficiency of budgetary spending for the development of different sectors of the economy and the environmental related SDGs.

### **JP contributions to strengthening UN coherence, partnerships and reducing duplications of efforts**

Administrative costs were reduced and the advantages of joint coordination by the RCO were leveraged. The JP led to an effective division of work between agencies, with UNDP sourcing on its long-standing experience on the topics of energy and environment, nature protection, climate change, biodiversity preservation and Government planning with regards to the costing of SDGs; UNICEF advancing its expertise in the areas of education, social protection, child/youth participation, child protection issues, including justice, violence; social inclusion and public finance; and integration of SDGs as local levels and engagement with private sector for child rights as well as on policy and advocacy dialogue with the national and local government partners; and UNFPA leveraging its technical expertise in Belarus on gender budgeting, gender equality scanning of the legislation and strategic documents, and its engagement with local stakeholders in addressing the needs of the vulnerable groups. In addition, UN Women has started preparatory work for activities to be implemented on 2022 that draw on its substantive experience supporting Governments in the development and implementation of systems to track gender budgets and making data publicly available; improving the alignment between gender priorities in national policies and financing strategies and providing guidance to ensure strong gender analyses as core components of effective and efficient policy. Based on their own competencies, PUNOs and the RCO coordinated their joint work. UNDP undertook work with the Ministry of Environment and Natural Resources, UNICEF and UN Women with the Ministry of Labour and Social Protection, and UNFPA with the Ministry of Health. This approach allowed for focusing selected policy areas and joint efforts in common areas while undertaking coordination with regards to communications, monitoring and evaluation. UNCT agencies worked to ensure rosters of expert advice, goods and services were procured in most efficient manners. A prioritization of allocation to local level administration is also in line with the Government agenda and minimizes duplication of work with other development partners involved in public finance reforms.

## **Strategic Partnerships, Documents and Communications**

### **How did the JP facilitate collaboration with diverse stakeholders in the SDG financing space**

The ongoing political situation on the ground has reduced the spectrum of stakeholders with whom the agencies are able to interact as part of the project. However, collaboration with IFIs has continued and the agencies have managed to undertake activities linked to mainstreaming partnerships. The UNDP team managed to negotiate at

an expert and high level with the Ministry of Nature, the Ministry of Economy. The agenda of the Joint Program was actively promoted at the meetings of the Council for Sustainable Development, where it received recognition and support from government representatives. Representatives of state bodies, national organizations of NGOs are actively involved in the processes of DFA, RIA and BIOFIN. UNICEF worked to ensure that the municipalities (LGs) representatives are involved in the study group on child focused public expenditure measurement. In addition, lines of communication were established between key Government agencies (State Social Protection Fund, Ministry of Finance, Ministry of Labor and Social protection).

**Did the JP secured additional financing (co-funding/co-financing) from the following stakeholders:**

Government	Donors & IFIs	Private Sector	PUNOs	Other Partners
No	No	No	No	No

**Comments on additional financing secured:** The ongoing political situation on the ground has reduced the spectrum of stakeholders with whom the agencies are able to interact as part of the project. However, collaboration with IFIs has continued and the agencies have managed to undertake activities linked to mainstreaming partnerships. The UNDP team managed to negotiate at an expert and high level with the Ministry of Nature, the Ministry of Economy. The agenda of the Joint Program was actively promoted at the meetings of the Council for Sustainable Development, where it received recognition and support from government representatives. Representatives of state bodies, national organizations of NGOs are actively involved in the processes of DFA, RIA and BIOFIN. UNICEF worked to ensure that the municipalities (LGs) representatives are involved in the study group on child focused public expenditure measurement. In addition, lines of communication were established between key Government agencies (State Social Protection Fund, Ministry of Finance, Ministry of Labor and Social protection).

**JP organized events in 2021**

JP Launch Event	Annual Donor Event	Partners Event
Yes in 2021	No	No

*Number of strategic documents produced by the JP: 1*

*Number of strategic documents contributed by the JP: 3*

*Number of communication materials produced: 9*

**2022 Plans & Way Forward**

**JP priority activities & expected results for 2022**

On outcome 1, UNFPA plans to support development and piloting of the educational program for health managers on SDG financing including goal oriented and normative methods in budgeting; develop new frameworks for the SDG related budgeting in healthcare testing and approval (i.e. prevention programmes in cervical cancer, cost of quality improvement in perinatal care, normative budget with gender disaggregation); and do advocacy for results based budgeting.

On outcome 2, UNICEF will prepare a new manual for child budgeting. A comprehensive child budget based on the UNICEF C-PEM methodology for national and 4 municipalities will be developed, Child-focused expenditure data will be supported by budget briefs on health care, education, social protection, and comprehensive budget briefs

for the national and local/city levels. A thematic plan for advanced training and retraining of civil servants will be developed, based on individual needs and budget expenditure planning standards per consumer, and an assessment will be made of the effectiveness of existing spending to achieve SDGs at the local level, including through the Child and Adolescent Friendly Cities (CAFC) platform. On outcome 3, UNDP will conduct RIA assessment and prepare RIA Dashboard which will be used by the Government to analyze the State Programmes in in the context of SDG compliance. After the green economy assessment is released, Belarus will be included to the Global GGEI Index. A DFA study will be prepared and discussed on a High-Level Meeting with National Stakeholders. UNDP will also publish the results of the BIOFIN study and coordinate the implementation of activities in selected ministries. On outcome 4, UN Women priorities for 2022 are aimed at the introduction of Gender Responsive Budgeting and will include: a desk review of the Strategy for Public Finance Management, the existing process of budget and policy formulation from planning to monitoring; mapping of alignment of the SDGs targets 5.4., 5.5. and 5c with budgetary programmes of the Ministry of Labour and Social Protection; the development of the road map for GRB implementation; gender analyses of one selected programme by the Ministry of Labour and Social Protection conducted based on well-defined criteria followed up with budget statement; and capacity development for key stakeholders on GRB.

**3 major transformative results that will be achieved by the end of the JP**

1. A new fiscal framework for child budgeting will be adopted for the local governments in Belarus. The adoption of modern, results-based budgeting methods will contribute to a more efficient public spending, in the areas of health and education, which in Belarus constitutes the largest component of SDG finance.
2. The programme will contribute to substantively strengthen Government participation and engagement in gender related SDGs localization and will have synergies with the National Action Plan on gender Equality that was adopted in 2020.
3. Considering the RIA analysis, the government will take into account the UNDP recommendations when updating the State Programs 2021-2025. UNDP recommendations based on the results of the BIOFIN study will be accepted and reflected by the Ministry of Nature in regulatory legal acts. After conducting the DFA assessment, the Government will have an approximation of future spending needs and, alongside an assessment of current financing trends, which will help Belarus to determine their financing gaps and possibility of measuring the efficiency of budgetary spending for the development of different sectors of the economy and SDGs.

**Estimated rate of completion for each result as of 31 Dec 2021**

Result.1	Result.2	Result.3
Emerging (1-49%)	Emerging (1-49%)	Emerging (1-49%)