



Joint Programme 2021 Annual Progress Report

SDG Financing Portfolio - Component 1

Cover page

UNCT/MCO: Djibouti

Reporting Period: 1 January - 31 December 2021

JP title: Integrated Financing for SDGs Acceleration and Resilience in Djibouti

PUNOs: UNDP, UNICEF, WFP

Government partner: Ministry of Economy, Finance and Industry

Target SDGs: SDGs 1, 2, 4, 8, 16, 17

Gender Marker: 2

Approved budget: USD 945,003

Co-funding: USD 13,000

Total Disbursement by 2021: USD 471,940

Total estimated expenditures: USD 355,252 (est. Delivery rate: 75.3%)

Total estimated commitments (including expenditures): USD 533,116 (est. Committed rate: 113%)

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Executive Summary

Officially validated in December 2021, the new National Development Plan 'Djibouti-ICI' (2020-2024) constituted a milestone for SDGs acceleration in Djibouti. The elaboration process of the new national development strategy generated impetus for partnerships to align new national priorities with SDGs and accelerate 2030 Agenda. In partnership with the Institute Afristat, a data collection and analysis was conducted to prioritize SDGs targets and indicators according to the context of Djibouti. While highlighting major data gaps on SDGs, the findings directly supported the alignment of the new national development plan with SDGs according to targets and indicators agreed by the Government. A partnership was also concluded with IICPSD to develop the SDG Investor Map of Djibouti as an innovative financial tool. The SDG Investor Map acts as a guide that consists of detailed investment information in identified investment opportunity areas which directly nourished the definition of the new national development priorities and shall increase impact investment on SDGs.

In response to delays caused by the COVID-19 pandemic and the presidential elections held in April 2021, a Steering Committee was organized in presence of the Minister of Finances and Minister of Social Affairs, where the Joint

Programme secured strong political buy-in at Minister level to accelerate the implementation of the project, clarify the status of the project according to new national priorities, strengthened communication with the Government and agreed on an acceleration plan. According to the new priorities of the Minister of Social Affairs, the Steering Committee decided to orient the initial focus on social protection toward the elaboration of the new national protection strategy of Djibouti on the basis of the evaluation of the current strategy with the objective of facilitating its integration to accelerate SDGs achievement.

In line with the new national development plan, the elaboration of the Integrated National Financing Framework started in October with the recruitment of a high-level consultant by UNDP guiding the team of experts of the Ministry of Finances during the overall process. Based on the first diagnosis report, the Joint Programme is now progressing on the governance structure and the dialogue component to be handled by UNICEF. Dialogue on SDG Financing shall open partnership with a variety of partners from both public and private sectors as well as with civil society.

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: Overall Joint programme status is considered as “satisfactory” as per the acceleration plan agreed in November 2021 by Governmental counterparts and PUNOs. The national development plan has been finalized. The inception phase of the INFF is currently under finalization with inception report including primary data collection analysis. The governance structure of the INFF has been designed and will be approved by Government counterparts in the coming days. Other planned activities are starting according to accelerated work plan.

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

The elaboration process of the new national development strategy generated impetus for partnerships to align new national priorities with SDGs and accelerate 2030 Agenda. In February 2021 was launched a meaningful data collection and analysis in partnership with the Institute Afristat to prioritize SDGs targets and indicators according to the context of Djibouti. The prioritization process resulted in the prioritization of 81 of the 169 targets of the 17 Sustainable Development Goals, including 55 operational targets, 19 implementation targets and 7 partnership targets, while highlighting major data gaps on SDGs. The findings directly supported the alignment of the new national development plan with SDGs according to targets and indicators agreed by the Government. A partnership was also concluded with IICPSD to develop the SDG Investor Map of Djibouti as an innovative financial tool. The SDG Investor Map acts as a guide that consists of detailed investment information in 20 identified investment opportunity areas across 7 priority sectors which directly nourished the definition of the new national development priorities and shall increase impact investment on SDGs. This line of work supported the realization of the new National Development Plan ‘Djibouti-ICI’ (2020-2024) officially validated in December 2021 with a costing of 2 482 531 million Djibouti Francs.

In response to delays caused by the COVID-19 pandemic and the presidential elections held in April 2021, a Steering Committee was organized in presence of the Minister of Finances and Minister of Social Affairs. Speaking with one voice, the Joint Programme secured strong political buy-in at Minister level to accelerate the implementation of the project. The Steering Committee also allowed to clarify the status of the project, the priorities of the government for the Fund and strengthened communication and coordination among the and between the UN and government. An accelerated work plan has been collaboratively designed and agreed in order to accelerate the achievement of the three expected outputs, which remain unchanged. The outputs provided by each PUNO have been clarified to accelerate their implementation. Based on new national priorities, the Steering Committee has decided to orient the initial focus on social protection toward the elaboration of the new national protection strategy of Djibouti on the basis of the evaluation of the current strategy with the objective of facilitating its integration to accelerate SDGs achievement.

With the finalization of the new national development plan, the Joint Programme launched the first steps of the elaboration of the Integrated National Financing Framework with the recruitment of a high-level consultant by UNDP in October. The first diagnosis report has been produced and the inception phase is almost completed with the finalization of the inception report furnishing primary data collection and analysis as well as methodology for consultations. The Joint Programme is now progressing on the governance structure and the dialogue component. A succession of dialogues on SDG Financing including multi-stakeholder forum and matching events open to both private and public sectors and civil society will widen partnership towards SDGs achievement.

Changes made to JP: Acceleration plan: - The first deliverable is the Integrated Financing Framework (INFF, led by UNDP), for which an international consultant has been recruited. This framework will assess financing needs of the NDP and the SDGs by 2030 and will propose an integrated financing strategy to achieve them. - The second deliverable is the development of the new 2022 – 2026 costed (led by WFP), shock-responsive Social Protection strategy following the evaluation of the 2018-2022 strategy. The new strategy will have as annexes a budgeted action plan and a monitoring and evaluation framework. The communication of the INFF and multi-stakeholder dialogues will be implemented under the auspices of UNICEF and will generate impetus from both public and private sectors to generate increased mobilization of resources to achieve SDGs through the new national priorities.

Main Challenges: The Joint Programme has experienced significant delays in implementation because its intervention is aligned to the National Development Plan, which was not approved when expected. Because the NDP has only recently been approved, while we have proactively engaged consultants, accounting for the current commitment rate, it was not possible to achieve many of the planned year one results during the JP’s first year of implementation. To address this, a crucial Steering Committee, in presence of the Minister of Finances and Minister of Social affairs, has been organized in November 2021 and was an opportunity to secure the political buy-in at Minister level to accelerate the implementation of the project. The meeting of the Steering Committee was also useful in clarifying the status of the project, the priorities of the government for the Fund and strengthened communication and coordination among the and between the UN and government.

After discussions on progress and challenges in the implementation of the project, the Steering Committee provided strong backing to the acceleration plan.

Updates on SDG financing framework

Inception phase	Assessment Diagnostics	Financing Strategy	Monitoring Review	Governance Coordination
Completed (100%)	Advancing (50-99%)	Emerging (1-49%)	Emerging (1-49%)	Emerging (1-49%)

Descriptions on progress by INFF building blocks

Inception Phase: The new National Development Plan, aligned on prioritized SDGs as agreed by the Government, and the SDG Investor Map directly nourished the inception phase of the emerging Integrated National Financing Framework. The Inception report is being finalized by the leading international consultant guiding the elaboration of the INFF and contains initial data collection and analysis and reports from bilateral consultations and first financing dialogues.

Assessment & Diagnostics: Multiple tools and lines of work contributed to the assessment and diagnostic stage of the INFF. In partnership with IICPSD, UNDP Djibouti developed the SDG Investor Map as a guide that consists of detailed investment information in 20 identified investment opportunity areas across 7 priority sectors. The following priority sectors have been identified for Djibouti: Transport, Services, Renewable and Alternative Energy, Finance, Technology, Infrastructure, and Food and Beverages. The SDG Investor Map was presented in November 2021. In addition, the new National Development Plan, the Health Sector Development Plan and the Child Development Plan have been costed to contribute to joint SDG Financing efforts.

Financing Strategy: The Financing Strategy is under emerging stage. Its development is directly nourished by the finalization of the new National Development Plan and its essential components including a detailed costing equivalent to 2 482 531 million of Djibouti Francs. Further discussions on Financing Strategy shall take place during a round table organized in February 2022 under the auspices of the Ministry of Finances conjointly with UNDP and the World Bank.

Monitoring & Review: The data collection and analysis on prioritization of SDGs targets and indicators directly nourished the results framework of the new NDP and allowed it to be fully aligned with SDGs. In addition, a training on Monitoring and Evaluation fundamentals from the National School of Public Administration of Canada has been provided to six members from the government to build their capacities to follow the implementation of the new National Development Plan. As planned, UNICEF will provide further support to develop the monitoring and evaluation framework of the Integrated National Financing Framework aligned on the new National Development Plan.

Governance & Coordination: The governance and coordination of the INFF is being set up. A detailed structure with concrete proposals for memberships has been realized by the leading consultant and approved by PUNOs and will be submitted to the Ministry of Finances for approval in the coming days.

The governance and coordination structure shall be the following: No. Organ: Function 1 Cabinet: Oversight and approval 2 National Steering Committee (Committee for the formulation of Djibouti ICI and Vision 2035): Strategic Guidance and Validation

3 Development Partners' Coordination Group: Provision of Strategic Guidance/Inputs 4 Technical INFF Oversight/Steering Committee: Technical inputs, Quality Control of Studies and Activities; Heads of relevant MDAs including representatives from DPs.

5 Technical Advisor: Coordinate the whole process, support the committees 6 Consultants: To undertake the assignment as per the Terms of Reference that will be issued to them in the hiring process

Priority Cross-cutting Issues

How did the JP adapt to the COVID-19 context

National Development Plan has been aligned with COVID-19 response strategy which has also been responsible for the significant delay in the elaboration of the document. The new NDP now includes critical elements from the COVID-19 response strategy and set up the resilience of the country to shocks as a national priority.

How did the JP apply the Gender Marker

Activities conducted under the SDG Fund set gender equality as a priority. The new National Development Plan has put gender equality as a national priority and includes main indicators and targets from SDGs 5 and 10 in its result framework.

Estimated % of overall disbursed funds spend on gender: 35%

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

The whole new national development strategy 'Djibouti ICI' is built around the leaving no one behind principle with social and financial inclusion as the two main axes.

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

Activities conducted under SDG Fund benefit from high degree of ownership from national counterparts. The elaboration of the new National Development Plan has been conducted by the team of experts from the Ministry of Finances, supported by a high-level consultant from UNDP, and under Government control to respect a full national ownership of both the process and the final product. The new national strategy has been directly informed by series of multi-stakeholder consultations at local level including all layers of civil society, private sector, and local authorities. The elaboration of the Integrating National Financing Framework benefits from very high buy-in from the Minister of Finances, as key national counterpart. The INFF elaboration process is guided by a high-level consultant from UNDP under the direct supervision of the Minister of Finances. The consultant leads the team of experts from the Ministry of Finances and contributes to capacity-building of national counterparts to ensure a maximum level of sustainability. In order to reiterate and enforce buy-in of key national counterparts, the PUNOs and RCO hold a meeting with both the Minister of Finances and the Minister of Social affairs of Djibouti to agree on the acceleration of activities and their modalities of execution.

Annual Reporting on Results

Results achieved in promoting the priority thematic SDG agendas

N/A

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

Data on US\$ & Ratio of financing for integrated multi-sectoral solutions leveraged disaggregated in terms of public and private sector funds are not available.

The SDG Investor Map is currently being tested as an integrated financing instrument.

The INFF is currently under development as an integrating financing strategy.

Progress against JP-specific outcomes

Outcome 1: The new national development strategy including a costing and a results framework aligned on SDGs officially adopted in December 2021 directly nourish the SDG financing strategy under development. Outcome 2: The recruitment process for consultants for social protection evaluation, emergency scenarios and fiscal space analysis are under way and should be completed by end of March. Outcome 3: The recruitment process of consultants leading dialogues on SDG financing and INFF is under way.

Progress against JP-specific outputs

Output 1.1: The new National Development Strategy 'Djibouti ICI' has been elaborated, along with a costing and result framework aligned with SDGs. Output 1.2: An inception report on initial data collection and analysis, bilateral consultations and first financing dialogues preparing the elaboration of the DFA and the INFF has been prepared. Output 1.3: Discussions with key counterparts to collect recommendations over the governance structure of the INFF have taken place. Output 1.4: Preliminary work is ongoing on developing a Development Finance Assessment to identify the current status and prospects of the financing flows opportunities and suggest a roadmap of key financing solutions to be taken forward Output 1.7. Recruitment process of consultants to undertake dialogues on financing, planning, allocation, M&E to promote transparency in ongoing. Output 2.1: Recruitment process of consultants to undertake the evaluation of the national social protection strategy for the period 2018-2022 is ongoing.

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

SDG Fund significantly increased synergies of activities and partnership between UN agencies. The Joint Programme allowed UNDP, UNICEF and WFP to speak with one voice to key national counterparts and demonstrate good coordination to deliver high-quality support to the Government. Excellent coordination, facilitated through RCO, also allowed to find better solutions to challenges and optimize acceleration of work plan. For instance, both costings of the Health Sector Development Plan and the Child Development Plan, implemented by different PUNOs according to their mandate, contributed to the costing of the new national development strategy.

Strategic Partnerships, Documents and Communications

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

The Joint Programme allowed to increase visibility and generate impetus to contribute to SDG financing in Djibouti. In line with SDG Fund, a partnership was concluded with IICPSD for the realization of the SDG Investor map of Djibouti as an innovative financing tool. The elaboration of the INFF of Djibouti shall also increase interests and partnerships with partners such as the World Bank, IMF, and private sector.

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 Joint Programme allowed to increase visibility and generate impetus to contribute to SDG financing in Djibouti. In line with SDG Fund, a partnership was concluded with IICPSD for the realization of the SDG Investor map of Djibouti as an innovative financing tool. The elaboration of the INFF of Djibouti shall also increase interests and partnerships with partners such as the World Bank, IMF, and private sector.

JP organized events in 2021

JP Launch Event	Annual Donor Event	Partners Event
No	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: 1

2022 Plans & Way Forward

JP priority activities & expected results for 2022

Priority activities for 2022: - Consolidate an INFF oversight committee that would provide the political executive mandate, but also the technical leadership of the recommendations of the DFA proposal for an INFF. - Realization

of a Development Finance Assessment to identify the current status and prospects of the financing flows opportunities and suggest a roadmap of key financing solutions to be taken forward. - Formulation of an INFF final report operationalizing an SDG financing strategy through INFF' building blocks

- Establish a multi-stakeholder national dialogue platform – whole of society approach – that facilitates dialogue and participation around financing from planning to allocation, to execution, to monitor and oversight. All of which to promote transparency and enhance accountability - Undertake the evaluation of the national social protection strategy for the period 2018-2022
- Support the development of the new national strategy focused on exiting poverty for the period 2022-2026 with a budgeted action plan and a monitoring and evaluation framework aligned on new NDP

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

1. A new state-owned national development strategy enabling SDGs achievement through comprehensive monitoring and evaluation framework aligned on SDGs with a focus on leaving no one behind.
2. A financing strategy aligned on the new development strategy increasing SDG financing flows through increased partnership with public & private sector and optimized utilization of resources.
3. An enforced dialogue on SDGs financing generating more interests and resources from various partners.

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

Result.1	Result.2	Result.3
Advancing (50-99%)	Advancing (50-99%)	Planned (0%)