



Joint Programme 2021 Annual Progress Report

SDG Financing Portfolio - Component 1

Cover page

UNCT/MCO: Tajikistan

Reporting Period: 1 January - 31 December 2021

JP title: Financing SDGs in Tajikistan

PUNOs: UNICEF, UNDP, UN-Women

Government partner: Ministry of Finance

Target SDGs: SDGs 1, 4, 5, 17

Gender Marker: 2

Approved budget: USD 862,267

Co-funding: USD 173,949

Total Disbursement by 2021: USD 431,134

Total estimated expenditures: USD 320,052 (est. Delivery rate: 74.2%)

Total estimated commitments (including expenditures): USD 350,557 (est. Committed rate: 81.3%)

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Executive Summary

The Financing SDGs in Tajikistan Joint UN Programme made significant progress in 2021. The programme was initiated in July 2020 but owing to Covid-19 which had a significant impact and considerably affected the delivery of the programme in 2020. However, a number of key outputs were delivered in 2021 which have contributed to strengthening the national financial architecture, broader policy engagement, and partnerships to promote the financing for development agenda in Tajikistan.

To support the national development strategy and an integrated national financing framework (INFF), several important technical assessments were carried out including a fiscal space analysis, financial architecture, gender-sensitive budgeting, financing for the education sector, and flows of official development assistance (ODA). These assessments served as the basis for the development of a Roadmap for Financing the Sustainable Development Goals (SDGs) and National Development Strategy (NDS). The Roadmap for Financing SDGs and NDS has led to a policy dialogue under the auspices of the National Development Council (NDC), the highest multistakeholder policy platform in Tajikistan.

A Working Group on Financing (WGF) under the NDC was established with the technical and advisory support of the programme. The WGF was tasked to identify mechanisms and approaches to financing development priorities and to enable Tajikistan to unlock additional sources of financing for development. The members of the WGF include government agencies, development partners, the private sector, and non-government organizations. The members have already met several times and participated in a number of programme and knowledge-sharing events.

Another major achievement of the programme was to formalize a partnership with the Academy of Public Administration (APA) to provide guidance and training to public officials on gender-sensitive budgeting. Following a series of consultations with the programme stakeholders, a memorandum of understanding was signed with APA to ensure ownership and to institutionalize training for public officials on gender equality and gender-sensitive budgeting.

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: Although the programme was approved in July 2020, the rollout of the programme was delayed due to Covid-19 pandemic and the Government's response to address public health emergency needs and to provide immediate assistance to the vulnerable population. The first Programme Steering Committee (PSC) meeting was held in December 2020. At the meeting, the PSC approved the work plan for the period from January 1, 2021, to June 30, 2022. The late operational start of the programme overlapped with the end-of-year financial closure of the Government and PUNOs which further affected the implementation. Moreover, a complex process of decision-making and bureaucratic procedures introduced in 2021 by the Government also affected the pace of implementation. These procedures include a two or sometimes three-tier approval process of arranging meetings with national counterparts in the technical line ministries. Owing to these delays, the PUNOs requested a six-month no-cost extension to ensure that all objectives of the programme are fully achieved. The programme end date, along with timelines in the action plan and targets has been adjusted in the programme document. The request for a no-cost extension is currently being reviewed by the SDG Fund Secretariat.

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

1. Governance and coordination

With support from the programme, a Working Group on Financing (WGF) under the National Development Council (NDC) which is chaired by the President was established in the second half of 2021. It comprises of representatives from government agencies, development partners, civil society organisations, and the private sector. NDC is a platform to discuss the implementation and financing of socio-economic policies as outlined in the National Development Strategy (NDS) and the Sustainable Development Goals (SDGs). The Ministry of Economic Development and Trade (MoEDT) chairs the group and is responsible for providing strategic leadership, oversight and moderating the meetings.

2. Research and analysis

All planned research and technical assessments were completed in 2021 in consultation with the government and non-government stakeholders. A comprehensive fiscal space assessment was carried out to review the financial envelope and sources of financing including both government and private funding needed for the implementation of the SDGs. The assessment examined various options to increase overall fiscal space and improve efficiency and equity in financing as well as potential threats that may constrain fiscal space in the future.

A national financing architecture assessment was also undertaken. The study focused on existing financing strategies, their alignment with the budgeting process, and institutional and coordination frameworks. Currently, the

NDC acts as an overarching multistakeholder policy forum comprised of 14 working groups. The NDC has, however, remained somewhat inactive. The main findings and recommendations are therefore important to further strengthen national institutional frameworks and financing systems. They were presented to the government stakeholders to solicit their feedback. Another analytical report on strategic planning and budgeting was also finalized. The report recommended continuing reforms on medium-term financing framework formulation and programme budgeting and to implement budget reporting and monitoring based on programme classifications. The analytical work has been a critical input in the policy dialogue and advocacy which the joint programme has supported.

A series of consultations with various ministries, the Parliament, and the Academy of Public Administration (APA) were held to assess the current state and opportunities in introducing gender-responsive budgeting (GRB) in Tajikistan to inform a “gender-responsive budget analysis of pilot ministries programs and policies”. It was also recommended that APA should consider a course for civil servant on GRB as part of an induction programme and to ensure that the approach gets mainstreamed. A Memorandum of Understanding (MoU) was signed with the APA to help it to incorporate GRB in the training curricula.

3. Capacity building for key stakeholders A number of capacity building initiatives were organized in 2021. All PUNOs contributed: i) in setting up the WGF under the NDC, ii) supported two working groups in the Parliament, iii) National Financial Inclusiveness Conference, iv) National Workshop on Securing Financing to Achieve the SDGs and, v) Financing the SDGs and Green Recovery in Tajikistan as part of a joint initiative with UNESCAP.

To strengthen the Parliamentary oversight role, the programme provided capacity development support to 45 participants including members of the Committee on Economy and Finance of the Parliament on SDGs, and linkages with the strategic objectives of NDS and Mid-term Development Programme (MTDP). These capacity development efforts contributed to an effective round of consultations between the executive bodies and the Parliament prior to the approval of the MTDP 2021-2025. The Parliament provided comments and recommendations on the draft MTDP 2021-2025, which were later addressed by the line ministries.

Changes made to JP: Due to Covid-19 delays experienced at the start, PUNOs requested a six-month no-cost extension until December 2022. There are no changes in the theory of change, an approved set of outputs, and the scope of work also remains unchanged. Only the timelines in the work plan have been revised.

Main Challenges: The joint programme implementation continued to be impacted by the COVID pandemic and ongoing travel restrictions and even more stringent government procedures. UN Women’s study tour to North Macedonia on best practices in GRB was cancelled. Instead, UN Women provided support to the Centre for Sustainable Development, Gender Equality and Women’s Empowerment to institutionalize GRB in the APA.

UNDP had to postpone knowledge-sharing activities among Central Asian Republics on innovative financing and INFF. An increase in the number of Covid-19 made it difficult to organize study visits. If feasible, the visits will be organized in the first half of 2022. Kazakhstan and Uzbekistan have been identified as countries having good experience in SDG budgeting and alternative financing and thus provide an opportunity for Tajikistan to learn from their experience.

Updates on SDG financing framework

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

Descriptions on progress by INFF building blocks

Inception Phase: Several assessments and consultations with government and development partners were carried out in 2021 that fed into the formulation of the Roadmap for Financing the SDGs and NDS. The aim of the roadmap was to identify financing gaps and propose actions to help Tajikistan realize its national priorities and the SDGs. Based on the analysis of the current development, as well as the objectives articulated in the NDS, the roadmap identified several financing challenges and bottlenecks. Building on the analysis, the roadmap proposed policy actions to mobilize additional financial resources to bridge the financing gap.

The roadmap is centered around three main financial pillars: public spending, the private sector, and financing from development partners. The findings and recommendations contained in the roadmap have been presented at various platforms, including WGF and the PFM Working Group in the Donor Coordination Council (DCC). At a national workshop, a final draft of the roadmap was shared with relevant ministries, departments and agencies to collect feedback and comments prior to its submission to the NDC for consideration which will most likely happen in the second quarter of 2022.

Assessment & Diagnostics: The fiscal space assessment (FSA) presents different scenarios to illustrate how fiscal space can be managed through 2030. The specific objective of this FSA is to inform long-term planning on financing for the SDGs and NDS by assessing the fiscal resources available for general spending and its implications for expenditure on the SDGs/NDS in general and for the education sector in particular.

At the institutional level, an assessment of the financing architecture was carried out that helped to better understand the processes for planning and monitoring of financial flows, prioritization and decision-making in the allocation of public funding. Recommendations of the assessment were used for developing tools for Monitoring the SDGs within the MTDP 2021-2025. It was also an important input in the formulation of the Roadmap for Financing SDGs and NDS.

The analysis of the gender-responsive budget of pilot ministries programs and policies in Tajikistan” concluded that the Government of Tajikistan is largely gender-blind, and GRB remains a “novel” concept to civil servants. Subsequently, capacity-building interventions on GRB were identified as a vital component for a future programme. Other measures were also recommended such as teaching gender budgeting in schools and piloting GRB in two pilot districts.

Financing Strategy: The analytical work provided a solid foundation for the development of the Roadmap for Financing the SDGs and NDS. The roadmap was presented to the WGF and shared with the NDC Secretariat and other stakeholders. It's worth noting that the joint efforts of all PUNOs - on establishing the multi-agency forum to support a continuous dialogue on finance which is backed by evidence is narrowing the gap between programme planning and financing. A number of policies and strategies exist, but many of them have not been costed properly and are not linked to a realistic financing plan. Some preliminary estimates were made in the past to cost the implementation of the national development strategy. The costing was based on GDP projections and budget envelope for selected programmes and activities of the line ministries. The breakout of Covid-19 and its cascading impact on household welfare and undermining of fiscal space, technical assistance provided through the joint programme has helped the government to reassess its fiscal outlook. Importantly, the technical assistance was geared towards strengthening existing structures rather than creating parallel structures. As mentioned, NDC and various groups within this platform have been relatively inactive. The programme has helped to revitalize the NDC and become the convener for stakeholders, promote policy coherence, and strengthen the linkages between programme planning and budgeting. The technical assistance provided through the joint programme was also closely coordinated with the PFM DCC Working Group to ensure that there are complementarities and support for ongoing PFM reforms. With a stronger financial architecture that the programme has created, it should enable the government to enact meaningful reforms that are underpinned by evidence and tap into various sources of financing while creating the necessary space for more private sector investments.

Monitoring & Review: Following the results of the assessments, the joint programme developed a financial monitoring and reporting tool for the MTDP 2021-2025. The reporting tool covers all sources of funding and ensures that all key information is clearly presented, such as the total need for funding, the total amount of funds in the framework for planned and actual funding by source, as well as reasons for lack of resources. The tool enables tracking the financing activities/actions within a particular sector/programme. The reporting template will be completed

annually, but there is flexibility in the tool that also allows data collection on a quarterly and biannual basis. In addition, MTDP 2021-2025 has, for the first time, included GRB for regular monitoring of relevant financial indicators. This should help in informed decision-making future expenditure that will reflect greater gender sensitivity and priorities for promoting gender equality.

Governance & Coordination: Under the NDC structure, as mentioned, a WGF was established to strengthen the coordination for financing the SDGs and NDS 2030. The group serves as a key multi-stakeholder financing platform bringing together representatives of the national ministries and agencies, as well as representatives from academia, civil society, development partners and the private sector. The group is a platform to discuss the implementation and financing of the socio-economic policies and reforms and consolidate the efforts of the government and the donor community to achieve the strategic goals of the NDS and SDGs. The joint programme will continue to build the capacity of the members and provide support for a constructive national dialogue on development financing and tracking of results of key national strategies contributing to SDGs/NDS.

Priority Cross-cutting Issues

How did the JP adapt to the COVID-19 context

The programme interventions are closely aligned with the Government of Tajikistan national strategies, programmes addressing COVID anti-crisis plan measures adopted in 2020 by the Prime Minister of Tajikistan and UN's Integrated Socio-Economic Framework adopted in June 2020 and completed in 2021. The programme's activities contribute to building back better of UN's agenda and provide substantive measures for improving socio-economic stability through improving financing mechanisms. With the breakout of the pandemic in 2020, the UN in Tajikistan developed an Integrated Socio-Economic response (ISEF) to support Government's effort in mitigating the negative impact of the Covid-19 in Tajikistan. The analytical work undertaken as part of the programme and the consultations with key stakeholders has helped the government to better understand the short and long-term financing needs and implications Covid-19 has on the fiscal space and future spending. The work under the joint programme was strongly linked with the macroeconomic pillar of the ISEF. The programme also enabled to bring together other UN initiatives on health financing and social protection to develop a more coherent response.

How did the JP apply the Gender Marker

Both fiscal space assessment and financing roadmap looked at the gender dimension. Based on principles of gender equality, women and girls' empowerment and attention to special needs, the gender-disaggregated analysis helped to identify the relationship between fiscal spending and how it affects women and men.

PUNOs organized several capacity development workshops including trainings for government officials and other stakeholders on financing architecture, SDG financing, INFF, and monitoring tools and more than 150 women participated in these initiatives. A Centre for Sustainable Development, Gender Equality and Empowerment of Women and Girls established in the Academy for Public Administration will continue to receive assistance to maintain an in-house national capacity to train civil servants on gender-responsive budgeting. The Centre aims to promote gender equality through the provision of tailored capacity-building activities focusing on the SDGs, GRB, and other related topics.

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

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

The programme is promoting an evidence-based approach to policymaking and ensure that financing is geared towards the needs of the most vulnerable. It has a strong focus on advancing the "leaving no one behind" agenda. In particular, the programme is supporting gender-response budgeting and investments in education for children

and youth. The joint programme also focuses on building national capabilities so that duty-holders can fulfil their obligations and public spending is pro-poor. By creating a multistakeholder forum, the joint programme has broadened policy engagement. By providing support to the Parliament, the joint programme is also strengthening the oversight mechanism in policy development. Taking a more holistic approach to financing for development, the programme is encouraging stakeholders to enact measures that can unlock private sector investments which are critical for the creation of decent jobs.

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

UN Women signed an MoU with APA to ensure a long-term partnership with a key government partner in mainstreaming GRB. As mentioned, a Centre for Sustainable Development, Gender Equality and Empowerment of Women was established in APA to ensure continuity and national ownership. The partnership with APA envisages the institutionalization of GRB in the curricula through the development and adoption of tailored training manuals for civil servants.

As mentioned above, a multi-agency forum was created under the NDC to support an evidence-based approach to financing and address the gap in planning and budgeting. The Roadmap for Financing SDGs and NDS provides the blueprint for the working group to support the NDC in policy development. Again, the emphasis of the programme was to build and enhance existing structures rather than create new mechanisms for policy coordination.

Annual Reporting on Results

Results achieved in promoting the priority thematic SDG agendas

Financing the SDGs is a broad and multidimensional initiative as it cuts across several SDGs. The joint programme aims to improve the financial architecture and policy approach to help the national counterparts increase the pool of financial resources to support national development goals and the SDGs. Specifically, the joint programmes are contributing towards SDG 5: Gender equality, SDG 16: Peace, justice and strong institutions, and SDG 17: Partnerships. There is a strong emphasis on gender-sensitive budgeting to ensure that fund allocations promote equity and address gender imbalances. In many countries, women and girls face discrimination in various forms. They are denied opportunities and excluded from participating in the development process. A gender-based approach to policy development and financing can be an important instrument to promote gender equality and create a level playing field for women.

A key feature of the joint programme is to build institutions and national capacity. As stressed throughout this report, from the outset the programme has been careful in avoiding duplication or creating parallel structures. Instead, the programme has worked with existing institutions and enhance their capabilities and strengthen existing mechanisms. Such an approach will ensure there is continuity and the results of the programme can be sustained. Furthermore, the programme has sought to forge partnerships across different actors. It has created forums for collaborative action among national stakeholders and international development partners. The programme has also been effective in harmonizing UN's collective response on financing for development through partnerships not only among the PUNOs implementing the programme but across the system with UN Agencies, both resident and non-resident.

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

The joint programme is directly contributed to SDG Fund's global results related to integrated financing strategies for accelerating the achievement of the SDGs and increasing resources for the implementation of the SDGs. The joint programme is in the process of improving the national financing architecture, helping national stakeholders to take stock of financing needs, and to tap into different private and public sources of financing. It is a bit premature to quantify the impact that the programme is having in terms of efficiency in the use of financing or

additional financial resources that the programme has mobilized or can be attributed to the programme. The first full year of implementation mainly focused on generating evidence, putting in place the necessary institutional mechanisms, broadening policy space for broader stakeholder engagement, and assessing financing needs. The joint programme has already created a strong foundation by augmenting national capacities, raising awareness, and improving the development policy platform. In the second year of implementation, there will be more focus on exploring financing options and providing more capacity development to the national partners. The programme has already created a lot of interest among national stakeholders to learn and pilot different financing instruments that would enable Tajikistan to realize its ambitious national development priorities and the SDGs.

Progress against JP-specific outcomes

Outcome 1. Increased, targeted, and more transparent financing of SDGs via strengthened national multi-stakeholder dialogue, oversight and policy. Outcome 2. Integrated SDG financing mechanism through evidence-based on-budget, alternative and innovative financing solutions for the achievement of national SDG targets.

Progress against JP-specific outputs

1. Operationalized Working Group on Finance under National Development Council structure;
2. Drafted the Roadmap for Financing SDGs and NDS;
3. Conducted several assessments to strengthen the national financing architecture, and efficient use of public financing (education sector pilot);
4. Capacity building of the Parliament to improve its oversight in financing development.

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

The joint programme has built a good synergy with “Strengthening national capacity for effective coordination, planning, monitoring, and reporting of NDS-2030/MtDP and SDGs” and the economic development portfolio of the UN, especially in the area of strategic development planning and monitoring, capacity building activities on SDGs mainstreaming, acceleration and localization and promotion of innovative partnerships and alternative financing for development. Moreover, it benefited from collaboration with the UNESCAP initiative to support countries with special needs. The joint programme provided inputs in the “Financing and Policy Gaps” assessment that UNESCAP conducted in Tajikistan. A joint workshop with UNESCAP on SDG Financing and Green Recovery was organized to present findings from this assessment.

The joint programme has also helped to leverage the work of other UN Agencies in the country. For example, the joint programme helped to contextualize the sector analysis of WHO and ILO on health and social protection respectively and opened doors for inter-agency collaboration. This has helped the UN Agencies on the ground to identify common threads and develop a more collective and coherent UN response to promote financing for the development agenda. This is now reflected in the common country analysis (CCA) and the UN Sustainable Development Cooperation Framework (UNSDCF) which is currently being developed. The joint programme has also reached other development partners and PUNOs are actively contributing to various policy dialogues that are taking place under the Donor Coordination Council which is chaired by the UN Resident Coordinator.

Strategic Partnerships, Documents and Communications

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

The joint programme has supported the NDC Secretariat in strengthening the SDG Financing platform (NDS/SDG financing WG). Since the rollout of the programme PUNOs have conducted several meetings with different stakeholders to engage different partners besides government agencies such as CSOs, private sector organizations, and

parliament members. PUNOs have also established good relations with other bilateral and multilateral development partners working on PFM, SDGs policy support and strengthening national development coordination such as the World Bank, International Monetary Fund, Asian Development Bank, Japan International Cooperation Agency, and the European Union. Policy coherence and synergy of efforts is also been sought through discussion with the PFM Working Group under the Development Coordination Council, which is co-chaired by the IMF and UNICEF.

In September 2021, UNDP started the implementation of the new regional project – “Setup of SDGs platform for Central Asia”. The project aims to contribute to sustainable development through a knowledge-sharing platform supporting countries in Central Asia to track and adjust key socio-economic policies by monitoring and financing SDG progress. There is good potential for synergy between the two programmes in terms of drawing from experience from other countries in the region that have been successful in issuing SDG bonds, green bonds, and other types of financing instruments. The Tajikistan team has already started discussions with the managers of the regional project.

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

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

Comments on additional financing secured: The joint programme has supported the NDC Secretariat in strengthening the SDG Financing platform (NDS/SDG financing WG). Since the rollout of the programme PUNOs have conducted several meetings with different stakeholders to engage different partners besides government agencies such as CSOs, private sector organizations, and parliament members. PUNOs have also established good relations with other bilateral and multilateral development partners working on PFM, SDGs policy support and strengthening national development coordination such as the World Bank, International Monetary Fund, Asian Development Bank, Japan International Cooperation Agency, and the European Union. Policy coherence and synergy of efforts is also been sought through discussion with the PFM Working Group under the Development Coordination Council, which is co-chaired by the IMF and UNICEF.

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JP organized events in 2021

JP Launch Event	Annual Donor Event	Partners Event
Organized in 2020	No	Yes in 2021

Number of strategic documents produced by the JP: 4

Number of strategic documents contributed by the JP: 4

Number of communication materials produced: 4

2022 Plans & Way Forward

JP priority activities & expected results for 2022

- Support the GoT in conducting a high-level NDC forum;
- Conduct analysis of alternative financing options for Tajikistan;
- Piloting of the tool for monitoring of financing SDGs within MTDP 2021-2025;
- Capacity building of at least 40% of women in the government on SDG financing
- Involvement of women in the decision-making process through WGF under NDC
- Build capacity of the Parliament members on SDG financing and principles of gender-responsive budgeting in the context of SDG financing
- Conduct an analysis of the aid management system and provide recommendations for further improvement of the database;
- Digitalization of existing tool for monitoring of MTDP 2021-2025 financing
- Institutionalize GRB trainings in the Government of Tajikistan through development and adoption of Practical Guide on GRB Implementation
- Introduce a gender-responsive tracking module to track how development partners are contributing to gender equality
- Pilot GRB in the education sector of two regions of Tajikistan
- Provide technical support to the MoF in budget planning, analysis and financing through capacity building initiatives, review of work process
- Work closely with the MoF to strengthen children related budget planning and reporting systems at the national and local levels through capacity building on child-focused budgeting

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

1. A functioning multistakeholder platform in the NDC to achieve policy coherence advance financing for development.
2. A menu of alternative financing instruments for increasing the pool of funds to realize national development priorities and the SDGs.
3. Embedding gender-responsive budgeting in the national financing policies.

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

Result.1	Result.2	Result.3
Advancing (50-99%)	Emerging (1-49%)	Emerging (1-49%)