



# Joint Programme Financing a Green, Inclusive and Sustainable Recovery

2021 Annual Narrative Report



# Table of Contents

<b>1. Introduction .....</b>	<b>6</b>
Financing a green, inclusive and sustainable recovery .....	6
Theory of change.....	6
Synergies with strategies and roadmaps of the Secretary-General.....	7
2021: Kick-starting with a sense of urgency .....	9
<b>2. Fund outcome: Strategic capacity to implement the Secretary-General's financing strategy .....</b>	<b>11</b>
<b>3. Area 1: Scaling up climate finance .....</b>	<b>15</b>
Enhancing access of SIDS to finance .....	15
Accelerating the Nature-based Solutions agenda .....	17
<b>4. Area 2: Improving the access of countries to sustainable finance .....</b>	<b>20</b>
Establishing the Office of the Special Coordinator for Development in the Sahel .....	20
Launching the Net-Zero Banking Alliance and Net-Zero Insurance Alliance.....	22
Accelerating progress towards the Green Gigaton Challenge .....	24
Harnessing finance for deforestation-free agriculture.....	25
Building multilateral dialogue to advance resilient infrastructure .....	26
<b>5. Area 3: Accelerating innovative and digital funding mechanisms for the SDGs .....</b>	<b>27</b>
Launching the Task Force on Nature-related Financial Disclosures .....	27
Innovating with digital sustainable finance.....	29
<b>6. Area 4: Channeling private investment to the SDGs .....</b>	<b>31</b>
Building a global SDG Investor Platform .....	31
Enhancing the SDG Investment Fair .....	33
<b>7. Area 5: Supporting food systems transformation in support of the SDGs .....</b>	<b>36</b>
Food Systems: From global summit to national pathways .....	36
<b>8. The way forward .....</b>	<b>40</b>
<b>Annex: Joint Programme Monitoring Tool 2021 results .....</b>	<b>42</b>

## 1. Executive Summary

**The 2030 Agenda and its 17 Sustainable Development Goals (SDGs) are our roadmap for a sustainable, inclusive, and resilient world.** However, even before the COVID-19 pandemic, progress towards the SDGs was already lagging. With widespread disruption to economies, livelihoods, and public finances in 2020, it became clear that a monumental effort was needed to achieve headline targets such as eradicating extreme poverty, accelerating climate action or promoting inclusive economies. The United Nations called for a Decade of Action to accelerate progress to achieve the SDGs by 2030.

**The Decade of Action requires a massive mobilization of public and private finance. A green, inclusive and sustainable recovery could provide the momentum for transformation at the speed and scale needed.** While we have recently begun to see the scaling up of sustainable finance in global markets, this is still not translating effectively into the investment flows necessary for concrete outcomes in key transitions such as access to energy, transformed food systems, or digital inclusion and connectivity. The continued gap in financing for the SDGs demands stepped-up action from the United Nations system, Governments, as well as public and private stakeholders, including International Financial Institutions (IFIs), Multilateral Development Banks (MDBs), development partners and the full range of private sector actors, including asset owners and managers, banks, insurance, and corporates.

**In response, the United Nations and the Ministry for Ecological Transition of Italy (MITE) established in 2021 the Joint Programme “Financing a Green, Inclusive and Sustainable Recovery”,** building on shared goals around the realization of the 2030 Agenda for Sustainable Development and the Paris Agreement. The Joint Programme leverages Italy’s leadership role in driving the G20 Presidency and hosting various critical international conferences in 2021, in particular in the context of COP26 and the Food Systems Summit. It engages the United Nations system with a strategic perspective, coordinated by the Executive Office of the Secretary-General.

**The Joint Programme began its activities formally at the beginning of 2021 and started to be operationalized in the second quarter.** The generous investment provided by Italy served as seed funding to catalyze initiatives that have the potential mobilize vast sums of financing for a sustainable recovery, cross-fertilizing and creating synergies across the United Nations system and financial markets.

**In 2021, this pooled funding enabled strategic initiatives that are helping move the needle on transforming the global economy** by working with key financial market participants investors, banks, insurers, companies and regulators, among others – and helping foster the alignment of capital and projects with the SDGs. Below are highlights of Joint Programme implementation in 2021.

## **Fund outcome: Strategic capacity to implement the Secretary-General's Strategy and Roadmap for Financing the 2030 Agenda**

- Through support for advocacy efforts of the Secretary-General, Deputy Secretary-General and Special Envoys on finance, the United Nations worked with policy-makers to secure critical financial relief for countries, such as the extension of the G20 Debt Service Suspension Initiative, issuance of \$650 billion equivalent in SDRs, establishment of the Resilience and Sustainability Trust

### **1. Scaling up climate finance**

- Delivering the first-ever multilaterally agreed definition of Nature-based Solutions as a foundation to unlock nature finance
- Kicking off of the High-Level Panel as a credible process to establish a Multi-Dimensional Vulnerability Index that could be taken up by IFIs

### **2. Improving the access of countries to sustainable finance**

- Establishment of the Office of the Special Coordinator for Development in the Sahel, with a new positive narrative on SDG investment
- Launch of the Net-Zero Banking Alliance and Net-Zero Insurance Alliance to scale-up commitments and action in financial markets
- Accelerating progress towards the Green Gigaton Challenge to scale-up high-integrity emission reductions mechanisms
- Launch of the Good Finance Network, at the intersection of sustainable food, finance and ecosystems
- Elevating multilateral dialogue to advance the agenda on resilient infrastructure

### **3. Accelerating innovative and digital funding mechanisms for the SDGs**

- Launching the Task Force on Nature-related Financial Disclosures with a United Nations-supported, industry-led effort, already yielding a beta version
- Piloting the innovative digital finance "Ekdes" in Bangladesh, serving as a blueprint for scaling across developing countries

### **4. Channeling private investment to the SDGs**

- Creating the Global SDG Investor Platform to better connect investors to critical SDG-oriented investment opportunities
- Enhancing the potential of the SDG Investment through more country-level technical assistance to structure bankable projects

### **5. Supporting food systems transformation in support of the SDGs**

- Delivering a successful Food Systems Summit that leads to the development of national pathways for food systems transformation

**The 2021 results of the Joint Programme were linked to the launch of many of these initiatives, while engaging closely with the Italian G20 Presidency, COP26 and Food Systems Summits as strategic anchors.** At the same time, the Joint Programme has also emphasized tangible country-level action, so that global policy developments can translate into effective SDG results on the ground.

**It is clear that much more action is needed to effectively transform financial markets and align them to the imperative of a green, inclusive and sustainable recovery.** The critical achievements of Italy in 2021, in particular the outcomes of the G20 Rome Summit and of the COP26 Glasgow Climate Pact, provide a strategic foundation on which to build in 2022., with stronger emphasis on effective shifts of financial flows towards a sustainable recovery.

**As we enter the third year of the Decade of Action, the world faces unprecedented challenges.** Stagnating progress towards the SDGs, worsened by the COVID-19 pandemic, is now further threatened by the war in Ukraine, geopolitical instability, humanitarian crises, and skyrocketing energy and food prices. As these factors drive risk and insecurity for vulnerable populations around the world, there is an urgent need to turbocharge progress and rescue the SDGs.

**Italy's generous investment and engagement as a strategic and financial partner will be crucial in this next phase of the Joint Programme,** as the United Nations seeks to significantly scale up public and private financing for a sustainable recovery anchored in the 2030 Agenda. The Joint Programme will be a key instrument to mobilize the United Nations system with coherence, innovation, sense of urgency and an emphasis on tangible results that have the potential to scale up and move the needle on the Decade of Action.

## 2. Introduction

### *Financing a green, inclusive and sustainable recovery*

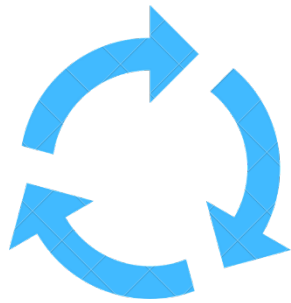
The 2030 Agenda and its 17 Sustainable Development Goals (SDGs) are our roadmap for a sustainable, inclusive, and resilient world. Endorsed unanimously by Member States in 2015, they are our North star, guiding the world to a better future. Over the past six years, there has been tremendous engagement around the SDGs – but these efforts have not yet delivered the transformative changes needed at speed and scale to deliver this ambitious agenda.

Even before the COVID-19 pandemic, progress towards the SDGs was already lagging. With widespread disruption to economies, livelihoods, and public finances in 2020, it became clear that a monumental effort was needed to achieve headline targets such as eradicating extreme poverty, accelerating climate action or promoting inclusive economies. The United Nations called for a Decade of Action to accelerate progress to achieve the SDGs by 2030, which in the context of COVID-19 hinges on decisive coordinated action, globally and in countries, to promote and finance a green, inclusive and sustainable recovery.

The Decade of Action requires a massive mobilization of public and private finance. While we have recently begun to see the scaling up of sustainable finance in global markets, this is still not translating effectively into the investment flows necessary for concrete outcomes in key transitions such as access to energy, transformed food systems, or digital inclusion and connectivity. The continued gap in financing for the SDGs demands stepped-up action from the United Nations system, Governments, as well as public and private stakeholders, including International Financial Institutions (IFIs), Multilateral Development Banks (MDBs), development partners and the full range of private sector actors, including asset owners and managers, banks, insurance, and the corporate sector.

### *Theory of change*

As a response, the United Nations and the Ministry for Ecological Transition of Italy (MITE) established in 2021 the Joint Programme “Financing a Green, Inclusive and Sustainable Recovery”, building on shared goals around the realization of the 2030 Agenda for Sustainable Development and the Paris Agreement. The Joint Programme leverages Italy’s leadership role in driving the G20 Presidency and hosting various critical international conferences in 2021, in particular in the context of COP26 and the Food Systems Summit, and engages the United Nations system with a strategic perspective, coordinated by the Executive Office of the Secretary-General (EOSG). It is guided by the following theory of change:



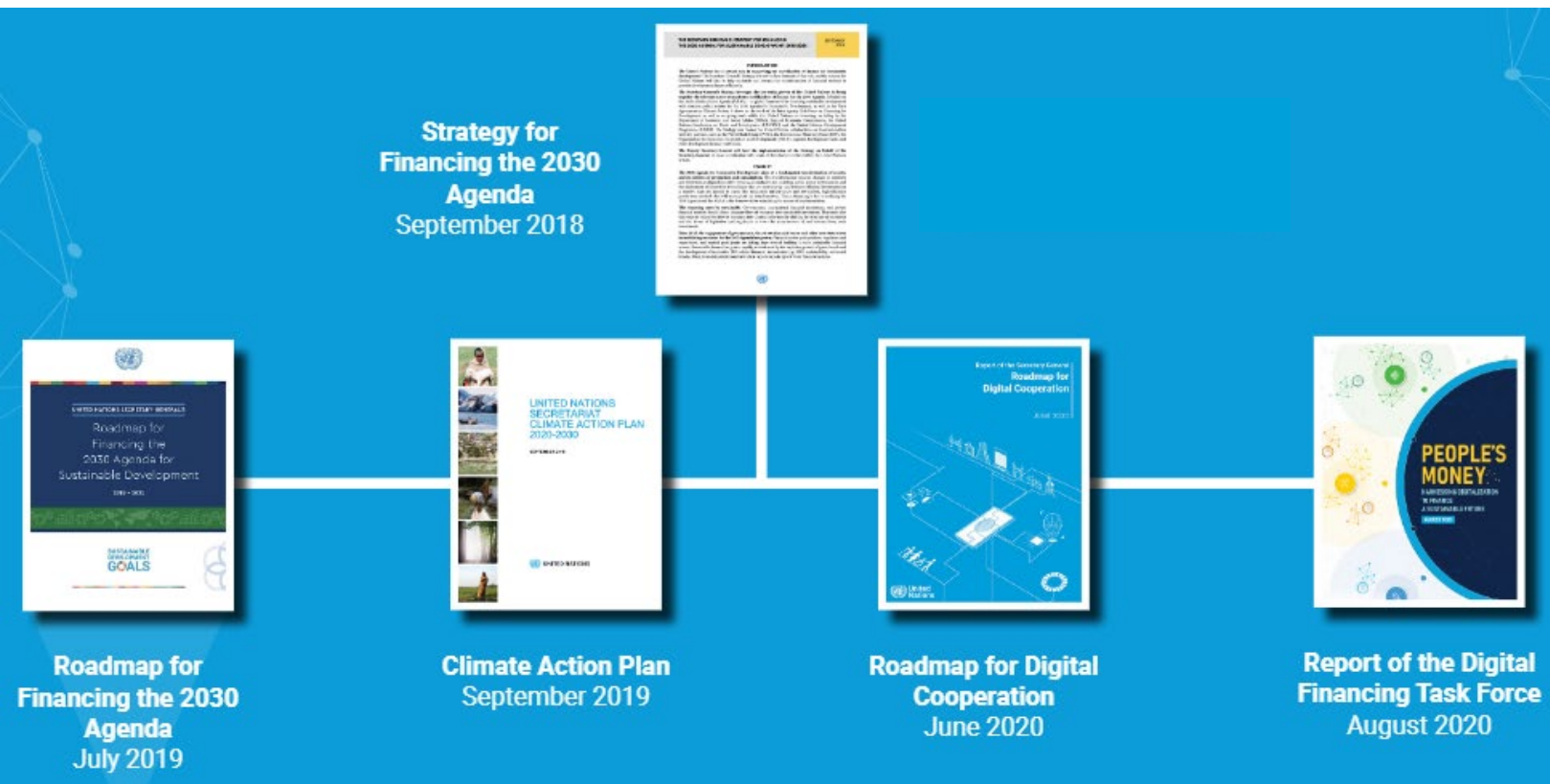
If the United Nations system, in collaboration with partners, harnesses the power of **financial systems**, facilitates access of developing countries to **sustainable** finance, leverages **climate** finance and **digital** finance, with a focus on small island developing States, least developed countries, Africa, and in particular the **Sahel**, and supports the alignment of **food systems** with the Sustainable Development Goals, **then** Member States will have the capacity to foster a **green and inclusive recovery from the COVID-19 crisis**, consistent with the **2030 Agenda** for Sustainable Development and multilateral environmental agreements, including the **Paris Agreement** on Climate Change.

To deliver this change, the Joint Programme catalyzes work by various United Nations entities, agencies, funds and programmes to enhance coherence and collective results for a green, inclusive and sustainable recovery, with a sense of urgency.

In 2021, in addition to EOSG, the United Nations implementing entities were the United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations Capital Development Fund (UNCDF) and the Department of Economic and Social Affairs (DESA). The Joint Programme also worked closely with the Office of the High Representative for Least Developed Countries, Landlocked Developing Countries and Small Island Development States (OHRLLS) and the Office of the Special Coordinator for Development in the Sahel (OSCDs), which were formalized as participating entities in 2022.

### *Synergies with strategies and roadmaps of the Secretary-General*

The Joint Programme is anchored in a series of strategic approaches pursued by the Secretary-General to accelerate progress towards the SDGs, in particular the Strategy and Roadmap for Financing the 2030 Agenda, the Climate Action Plan, Roadmap for Digital Cooperation, and Report of the Digital Financing Task Force. The Joint Programme builds on these synergies to address the challenges and opportunities that emerged in the context of recovery from the COVID-19 pandemic, as part of the United Nations system's comprehensive response to COVID-19.



As a number of these strategies and roadmaps reached their conclusion by the end of 2021, the Joint Programme enabled a strategic stock-take of the state of financing for the 2030 Agenda (further discussed in **section 2**), as well as provided opportunities for further strategic thinking to support the Secretary-General's vision of Our Common Agenda, which was launched in September 2021 and presents proposals to turbocharge progress on the SDGs.

This 2021 Annual Narrative Report presents and contextualizes results and milestones of the various activities undertaken as part of the Joint Programme in a coherent way, showcasing the value of MITE's investment. As an annex, a Monitoring Tool compiles Joint Programme results according to an agreed set of indicators. It is further complemented by the 2021 Annual Financial Report, provided separately by the Multi-Partner Trust Fund Office (MPTFO) in its role as administrative agent of the Joint Programme.



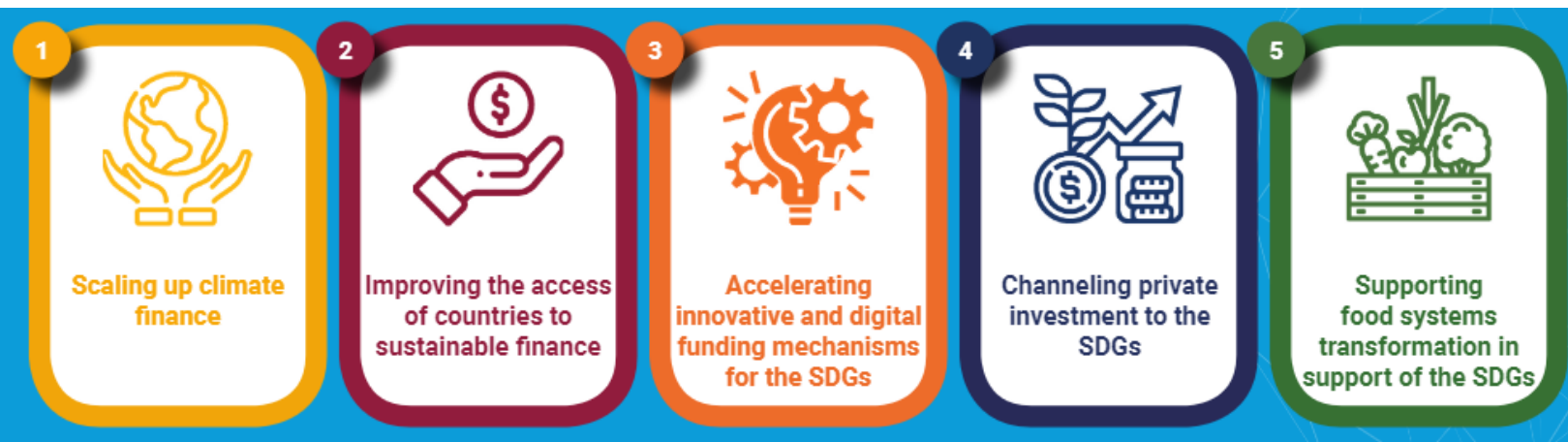
## 2021: Kick-starting with a sense of urgency

The Joint Programme began its activities formally at the beginning of 2021 and started to be operationalized in the second quarter, when project workplans were refined and resources were sent to the participating entities. EOSG established the secretariat of the Joint Programme within its Sustainable Development Unit, tasked with ensuring overall coordination and management, as well as liaison with MITE and MPTFO. Joint Programme governance consists of a Steering Committee convening representatives from MITE and the United Nations; and an Operational Steering Committee consisting of the participating United Nations entities. The first meeting of the Steering Committee took place on 30 July 2021 and approved the 2021 programme of work presented by EOSG, with a view to delivering results by December 2021. This was confirmed at the second meeting of the Steering Committee, on 9 December 2021, in which MITE conveyed overall appreciation for the results delivered in 2021.

The 2021 programme of work was envisaged with one overarching, shared vision: finalizing the delivery of the Secretary-General's strategy and roadmap on financing the 2030 Agenda, with its three key objectives:

1. Aligning **global economic policies and financial systems** with the 2030 Agenda
2. Enhancing **sustainable financing strategies and investments** at regional and country levels
3. Seizing the potential of **financial innovations, new technologies and digitalization** to provide equitable access to finance.

The generous investment provided by Italy served as seed funding to catalyze initiatives that have the potential mobilize vast sums of financing for a sustainable recovery, cross-fertilizing and creating synergies across the United Nations system and financial markets. Joint Programme implementation in 2021 was structured alongside five priority areas as outlined below, and further elaborated throughout **sections 3-7**.



In 2021, this pooled funding interlinked strategic initiatives such as the establishment of the Office of the Special Coordinator for Development in the Sahel, the kick-off of the Task Force on Nature-related Financial Disclosures, a closer partnership between the SDG Investment Fair and the SDG Investor Maps, and scaling up of Principles for Responsible Banking, among others. Taken together, these interventions are helping move the needle on transforming the global economy by working with key financial market participants – investors, banks, insurers, companies and regulators, among others – and helping foster the alignment of capital and projects with the SDGs. The 2021 results of the Joint Programme were linked to the launch of many of these initiatives, while engaging closely with the Italian G20 Presidency, COP26 and Food Systems Summits as strategic anchors. At the same time, the Joint Programme has also emphasized tangible country-level action, so that global policy developments can translate into effective SDG results on the ground.

It is clear that much more action is needed to effectively transform financial markets and align them to the imperative of a green, inclusive and sustainable recovery. 2021 activities have laid the foundation for the continuation of the Joint Programme in 2022, with stronger emphasis on effective shifts of financial flows towards a sustainable recovery. Taking stock of this, reflections and the way forward are discussed in **section 8**.

#### Deliverable linkages:



#### The Initiative will build up to the following key events:



### 3. Fund outcome: Strategic capacity to implement the Secretary-General's financing strategy

In support of the overall fund outcome of the Joint Programme, in 2021 EOSG focused on:

- Finalizing delivery of the Secretary-General's **Strategy for Financing the 2030 Agenda for Sustainable Development and the accompanying Roadmap** in the 2018-2021 period.
- Implementing the **Financing for Development in the Era of COVID-19 and Beyond Initiative** (FfDI), including through support for the Special Envoy on Financing the 2030 Agenda.
- **Strategic advocacy** of the Secretary-General, Deputy Secretary-General, Special Envoys and other senior officials in the area of financing for a sustainable recovery across a wide range of events throughout 2021, including the G20 process (in close collaboration with DESA and UNDP in the Sherpa and Finance tracks respectively); UNFCCC COP26; Spring and Fall meetings of the World Bank & International Monetary Fund; the high-level week of the 76<sup>th</sup> United Nations General Assembly; and other key meetings forward the agenda of international development finance.

Taken together, strategic capacity and advocacy by the United Nations helped shape the global discussion on financing for development issues in the context of the COVID-19 pandemic, and helped unlock or advance a series of critical financial policy measures in 2021, in close coordination with Member States and International Financial Institutions. The United Nations:

- **Through advocacy efforts of the Secretary-General, Deputy Secretary-General and Special Envoys, worked with policy-makers to secure critical financial relief for countries in need during the COVID-19 crisis**, including through the FfDI, High-Level Event on Debt and Liquidity in March 2021 and a High-Level Event on Jobs and Social Protection for Poverty Elimination in September 2021 delivering tangible results:
  - Extension of the **Debt Service Suspension Initiative** (DSSI) for six months until the end of 2021.
  - Issuance of **\$650 billion equivalent in Special Drawing Rights** (SDRs) effective 23 August 2021, aimed at boosting global liquidity.
  - Decisive progress towards the establishment of the **IMF Resilience and Sustainability Trust** (RST), aimed at supporting policy reforms, building economic resilience and sustainability in low-income countries and small states, as well as vulnerable middle-income countries.
    - Official announcement of establishment of the RST was communicated in April 2022.
  - Use of **innovative policy tools** such as the **Liquidity and Sustainability Facility** (LSF) for Africa as a vehicle for debt management and fiscal sustainability; the Fund to Alleviate COVID-19 Economics (FACE) proposed by Costa Rica; and the Caribbean Resilience Fund, among others.



- **Supported the advocacy of the Secretary-General at COP26 in favour of the commitment by developed countries to mobilize US\$ 100 billion in climate financing** on an annual basis, and of the allocation of 50% of this funding to climate adaptation.
  - While the COP26 outcome in November 2021 kept 1.5 C alive, further progress remains critically needed on climate finance and adaptation, informing the approach of the United Nations towards COP27 in Egypt.
  - The appointment Special Envoy Mahmoud Mohieldin as High-Level Climate Champion for COP27 provides an additional opportunity for United Nations advocacy, while building closer links between the climate finance and SDG finance agendas.
- **Elevated the importance of universal social protection and job creation, including in the care, green, and digital economies to the top of the policy agenda** through the Secretary-General's High-level Event on Jobs and Social Protection for Poverty Eradication, preceded by a Secretary-General Policy Brief, developed within the FfDI.
  - This process resulted in the launch of a **Global Accelerator on Jobs and Social Protection for Just Transitions** in September 2021, and the creation of an inter-agency task team to accelerate and streamline implementation of



- recommendations from Our Common Agenda related to jobs and social protection that fall under the scope of the Global Accelerator.
  - Work on operationalizing the Global Accelerator is ongoing in 2022 through the inter-agency task team.
- **Supported the alignment of public and private finance with the SDGs**, including through development of guidance papers on SDG-budgeting and support to the Integrated National Financing Frameworks.
  - UNDP, as secretariat for the **G20 Sustainable Finance Working Group**, helped secure endorsement at the Rome Leaders' Summit of the **G20 Roadmap on Sustainable Finance**, setting an ambitious multi-year agenda to continue pursuing regulatory reform at global and country level.
- **Placed a spotlight on efforts needed to combat illicit financial flows** and contribute to greater domestic resource mobilization to support long-term sustainable development objectives.
  - A Policy Brief on Illicit Financial Flows was developed in 2021 and is expected to be launched in 2022 following an internal briefing to the Secretary-General.
  - The FfDI Cluster led by the RECs on Illicit Financial Flows has advanced on the creation of a legal framework for asset recovery.
- **Strengthened knowledge and engagement around the need for reform of extractive industries** to ensure developing countries can overcome the “resource curse” and benefit from a just energy transition.
  - Five Regional Roundtables on Extractive Industries were held between October 2020 – March 2021 by the RECs in each of their respective regions. The outcomes of these Regional Roundtables then fed into a Global Roundtable on Extractive Industries on 25 May 2021.
  - A Secretary-General Policy Brief on Transforming Extractive Industries for Sustainable Development was launched prior to the High-Level Event, which identified key areas of reform needed to reform the sector.
  - The DRC-Africa Business Forum was hosted by ECA and partners on 24 November 2021 to support the development of a regional value chain around the electric battery industry, a market for electric vehicles, and clean energy.
  - A Global Working Group on Extractive Industries was established, which is now being co-led by UNDP, UNEP, and Regional Economic Commissions (RECs).
- **Elevated knowledge sharing related to the use of Islamic Social Finance** for the attainment of the SDGs.
  - Twelve workshops were convened by ESCWA, the Islamic Development Bank (IsDB) and the Special Adviser to the Secretary-General, Dr. Ahmed Al-Meraikhi, on the potential use of Islamic Social Finance to contribute to the SDGs. A draft report and roadmap are now being created to identify concrete recommendations on the way forward to enrich existing mechanisms, identify gaps, and propose methods for using Islamic Social Finance to achieve the SDGs and build back better.

- **Amplified the Secretary-General's push on financing for sustainable development through the work of his Special Envoys:**
  - **Special Envoy on Financing the 2030 Agenda**, Mr. Mahmoud Mohieldin: focus on addressing the socio-economic implications of the COVID-19 pandemic; the escalating debt crisis, particularly in middle-income countries; and the growing divergence in recovery between developed and developing countries.
  - **Special Envoy on Innovative Finance and Sustainable Investments**, Mr. Hiro Mizuno: focus on leveraging private sector alliances for SDG financing, including Global Investor for Sustainable Development Alliance and Glasgow Financial Alliance for Net Zero.
  - **Special Adviser to the Secretary-General**, Dr. Ahmed Al Meraikhi: focus on leveraging public-private partnerships, enhanced regional cooperation, particularly from the Global South and private sector, and exploring innovative sources of financing, including Islamic social financing to support recovery efforts and the attainment of the SDGs.
  - **Special Advocate for Inclusive Finance for Development**, H.E. Queen Máxima of the Netherlands: focus on advancing universal access to and responsible usage of affordable, effective, and safe financial services; utilizing innovation and digitalization to lead to positive outcomes for under-served, including women, smallholder farmers, and micro, small and medium sized enterprises; ensuring the use of artificial intelligence and algorithms foster inclusive sustainable development outcomes.

As we took stock of the Secretary-General's Financing Strategy and its accompanying Roadmap at the end of 2021, it is clear that **many of these policy areas require further progress in 2022, while ensuring that they are updated to reflect current global challenges as a result of the war in Ukraine and its impact on food, energy, and finance especially in relation to debt, liquidity, taxation, illicit financial flows, social protection, decent job creation, and private sector engagement.**

For instance, the Debt Service Suspension Initiative (DSSI), while commendable, remained limited to low-income countries and did not benefit from private creditor participation. Similarly, the G20 Common Framework for Debt Treatment, agreed in 2020, received extremely limited uptake from only three countries (Chad, Ethiopia, and Zambia) as of the end of 2021, and also remained eligible to only low-income countries, while private sector engagement has remained lacking. Seven countries have also defaulted since the COVID-19 pandemic began (Argentina, Ecuador, Belize, Lebanon, Suriname, Zambia, and Sri Lanka). Given that the DSSI expired at the end of 2021, greater efforts are needed to fully operationalize and improve upon the Common Framework and ensure it can deliver effective debt relief, while expanding the mechanism to include vulnerable middle-income debtors and private creditors.

These results and reflections helped inform the 2022 Programme of Work of the Joint Programme, endorsed by the Steering Committee in December 2021. Building on the foundation established through the Joint Programme in 2021, in 2022 the United Nations continues efforts to finance a green, inclusive and sustainable recovery taking into account emerging challenges, such as the global effects of the war in Ukraine, which led to the

establishment by the Secretary-General of the Global Crisis Response Group (GCRG) on Food, Energy and Finance in March 2022.

1



Scaling up climate finance

#### Objectives:

- Mobilize public and private funding for forest conservation and restoration
- Support countries to achieve a gigaton in emission reductions from forest conservation and restoration
- Support implementation of the Secretary-General's Climate Strategy, leveraging the Decade of Ecosystem Restoration
- Building on and broadening adherence to the notion of Nature Based Solutions
- Construct an action agenda and growing a movement of support

#### Initiatives:

1. Nature Based Solutions: Accelerating the Movement for Biodiversity, Climate and People (UNEP)
2. Enhancing access of SIDS to finance through the MVI and debt swaps (OHRLLS)

1



Scaling up climate finance



- |                        |                                    |                      |
|------------------------|------------------------------------|----------------------|
| 1. Antigua and Barbuda | 10. Dominican Republic             | 17. Jamaica          |
| 2. Bahamas             | 11. Federated States of Micronesia | 18. Kiribati         |
| 3. Bahrain             |                                    | 19. Maldives         |
| 4. Barbados            |                                    | 20. Marshall Islands |
| 5. Belize              | 12. Fiji                           | 21. Mauritius        |
| 6. Cabo Verde          | 13. Grenada                        | 22. Nauru            |
| 7. Comoros             | 14. Guinea-Bissau                  | 23. Palau            |
| 8. Cuba                | 15. Guyana                         | 24. Papua New Guinea |
| 9. Dominica            | 16. Haiti                          |                      |

- |                           |                                    |
|---------------------------|------------------------------------|
| 25. Samoa                 | 32. St. Vincent and the Grenadines |
| 26. São Tomé and Príncipe | 33. Suriname                       |
| 27. Seychelles            | 34. Timor-Leste                    |
| 28. Singapore             | 35. Tonga                          |
| 29. Solomon Islands       | 36. Trinidad and Tobago            |
| 30. St. Kitts and Nevis   | 37. Tuvalu                         |
| 31. St. Lucia             | 38. Vanuatu                        |

## 4. Area 1: Scaling up climate finance

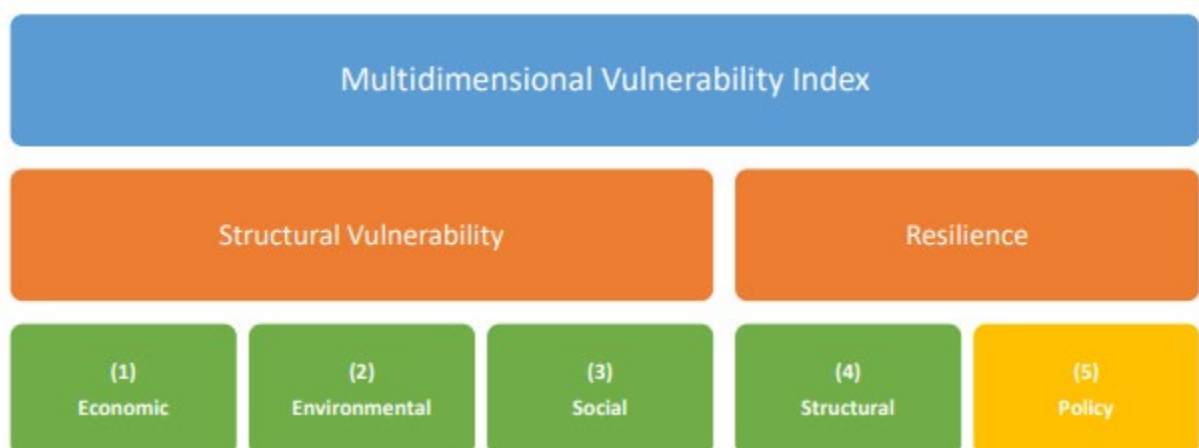
In area 1, the Joint Programme is catalyzing strategic initiatives on nature finance and the recognition of multidimensional vulnerability, with the potential to be gamechangers in the scale-up of climate finance.

### Enhancing access of SIDS to finance

- In support of the Secretary-General's Climate Strategy, in 2021 EOSG partnered with OHRLLS to conceptualize a project focused on the SDG and climate finance needs of

**small island developing States (SIDS).** The project provides strategic support to build resilience in SIDS through delivering the tools necessary to recognize the relevance of vulnerability as a criterion for access to finance, as well as enhance access to innovative financing tools, such as climate action debt swaps.

- **The Joint Programme is enabling progress to finalize the Multidimensional Vulnerability Index (MVI) through a coordinated and credible United Nations system-led process.** While the concept of an MVI has long been recognized as a key tool to unlock financing for SIDS, to date efforts to deliver such an indicator have been fragmented and failed to secure mainstream buy-in from IFIs and development partners.
  - To address this, OHRLLS undertook analytical work in 2021 to develop a 2021 assessment report, which informed a Secretary General's report with recommendations on the development of the MVI. This process ultimately led to a resolution by the General Assembly in December 2021, requesting that the President of the General Assembly establish a High-Level Panel (HLP) to finalize the MVI by the end of 2022.
  - OHRLLS is supporting the process with strategic advocacy, dialogue among Governments and with relevant stakeholders, and expert support to build consensus between SIDS, other vulnerable countries, development partners, the United Nations system and IFIs, in the context of the HLP, with the goal of delivering an effective MVI that has the potential to be a game-changer. A proposed framework for the MVI, based on OHRLLS analytical work, is visualized below.
  - As a result of this work, the HLP was established in March 2022, with DESA and OHRLLS serving as the Secretariat and continuing to drive strategic work to deliver the MVI.
  - More broadly, the MVI is part of a series of efforts undertaken by the United Nations to go "beyond GDP", as one of the Secretary-General's proposals in Our Common Agenda.





- **The Joint Programme is enabling the development and use of innovative tools, such as climate action debt swaps, that can simultaneously strengthen debt sustainability and climate action in SIDS.** Climate action debt swaps are complex financial instruments that remain mostly at an experimental stage, far from the scale needed to realize the ambitions of the 2030 Agenda.
  - OHRLLS is working closely with other United Nations entities have been involved in these efforts – DESA and the United Nations Regional Economic Commissions for Latin America and the Caribbean (ECLAC), Asia and the Pacific (ESCAP), and Africa (ECA) – to assess challenges to the scale-up of such instruments, raise their profile on the international stage, and offer solutions.
  - A **joint side-event on climate action debt swaps was held at COP26** in 2021, bringing the theme to mainstream discussions and laying a foundation for further engagement. Italy's investment under the Joint Programme is helping deliver a more coherent United Nations approach to debt swaps, building coordination across regions and initiatives.
  - As a direct outcome, an Expert Meeting has been planned to be held in Antigua & Barbuda in 2022 to take stock of experiences and develop a clear strategy forward on swaps. To support this, OHRLLS was able to secure experienced consultants with technical financial and legal backgrounds to be able to move forward on the development of pilot swap activities in Antigua and Barbuda, Saint Lucia and Saint Vincent and the Grenadines as a pilot. This will also include the development of **template financial and legal documentation on the structuring of debt swaps**, enabling the replication of this solution in other SIDS.
- **The Joint Programme is supporting SIDS advocacy for increased climate action and coordinating international support for facilitating SIDS access to climate finance.** This emphasis comes from recognition that analytical work on the MVI and debt swaps will only be successful if it is accompanied by meaningful uptake by IFIs and other stakeholders, requiring efforts in strategic communications and political engagement.
  - In this context, a **SIDS pavilion was organized at COP26** with a full programme of events and advocacy activities to ensure that SIDS priorities are reflected in discussions related to finance. Footage of SIDS engagement at COP26 will complement other communications work, so that these advocacy activities could be further leveraged through social media in 2022.
  - As evidence of the impact of this advocacy work, the COP26 outcome **Glasgow Climate Pact** encourages providers of development finance to consider vulnerability for allocation of concessional finance, as well as increased efforts for effective access to climate finance, and notes with concern the increased indebtedness of countries vulnerable to climate change.
  - In early 2022, OHRLLS was developing, jointly with the Alliance of Small Island States (AOSIS) and non-profit organization Climate Analytics, a **joint strategy** for SIDS to make concrete progress at COP27 towards financing for loss and damage already underway on small islands and low-lying areas.

- **The Joint Programme is enabling efforts to catalyze a global, transformative Nature-based Solutions (NbS) movement.** While NbS hold the promise of accelerating action for biodiversity, climate and people, including through the angle of climate finance, such solutions are not yet being harnessed effectively by Governments and stakeholders. To unlock the potential of NbS, UNEP is strengthening the multilateral narrative on NbS to achieve a common vision; increasing participation of stakeholders in delivering effective solutions; and developing an action agenda for the deployment of NbS at scale in the coming years. The project had worked closely with global processes, in particular COP26, the 5<sup>th</sup> United Nations Environment Assembly (UNEA-5) and the G20 and G7 Presidencies to drive this agenda forward.
- **There was significant progress in raising the profile of the NbS agenda in 2021.** In 2021 UNEP launched works to raise awareness, consolidate knowledge and operationalize NbS.
  - Examples of this engagement have included the Ministerial events "Nature within Cities and Cities Within Nature", organized in partnership with the Portuguese EU Presidency on 30 June 2021; and the COP26 side-event "Nature-based Solutions for climate mitigation and the achievement of Net Zero" on 8 November 2021, in collaboration with Germany in the context of the incoming 2022 G7 Presidency.
  - Critically, both events helped elevate the discussion on NbS from the level of technical experts to that of political decision-makers, as exemplified by the Glasgow Leaders' Declaration on Forests and Land Use at COP26, sensitizing high-level stakeholders to the potential of NbS – and to the specific obstacles that could be overcome through more coordinated multilateral action.
- **To substantiate discussions on NbS ahead of COP26, the Joint Programme made possible the delivery of a synthesis report on *Nature-based solutions for climate change mitigation* by UNEP in partnership with the International Union for Conservation of Nature.** Its release at COP26 was a key milestone and provided evidence to support discussions on the significant contribution that NbS can provide as a necessary complement to decarbonization for accelerated action on climate mitigation, while also advancing multiple SDGs through the benefits generated by NbS.
  - The report assessed the current state of knowledge on the size of the contribution that NbS can make and the types of action they will involve, the importance of social and environmental safeguards, how NbS can be financed, the role of off-sets, and the potential of NbS for mitigation to also contribute to climate adaptation and other pressing needs.
  - This analytical work continues in 2022 with an emphasis on the action needed to scale up NbS, making a clear case for policy and financing decisions, and helping prepare the ground for 2022, with a unique confluence of nature-related global events.
- **As evidence of the advocacy impact of this project, in December 2021 the European Union submitted a draft resolution on NbS to UNEA-5, with co-sponsorship from Colombia, Costa Rica and Pakistan.** UNEP provided technical support to inform the

preparation of the draft text, with a view to formally elevating the role of NbS in global environmental discussions and informing the preparation of UNEA-5 under the theme “Strengthening actions for nature to achieve the Sustainable Development Goals”.

- **The resolution was formally adopted by UNEA-5 in March 2022** and reached the first multilaterally agreed definition of NbS as “actions to protect, conserve, restore, sustainably use and manage natural or modified terrestrial, freshwater, coastal and marine ecosystems, which address social, economic and environmental challenges effectively and adaptively, while simultaneously providing human well-being, ecosystem services and resilience and biodiversity benefits.”
- With this recognition and a formal definition, it is expected that the foundational work undertaken by the Joint Programme in 2021 will move the needle on NbS and help unlock flows of financing for their operationalization at scale, including as part of climate finance commitments.

## 5. Area 2: Improving the access of countries to sustainable finance

2



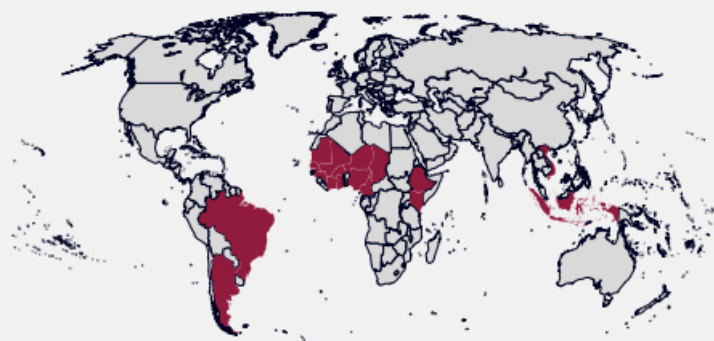
Improving the access of countries to sustainable finance

### Objectives:

- To implement innovative financing facilities for sustainable land-use with a focus on LDCs
- Promote industry-wide guidelines for SDG investing in Africa
- Provide immediate technical support and sustainable finance to youth business/enterprise
- Support investment support mechanism for the Sahel and pipeline of investment projects in six priority areas of UN Support Plan for the Sahel
- Support sustainable infrastructure in LDCs and SIDS

### Initiatives:

1. Building the capacity of financial institutions to set and deliver on ambitious targeted outcomes for mobilizing private investment in the SDGs (UNEP)
2. Scaling up public/private finance for deforestation-free agricultural commodity production (UNEP)
3. Forest solutions (UNEP)
4. ECOSOC dialogue on sustainable infrastructure (EOSG)
5. Office of the Special Coordinator for Development in the Sahel (OSCDS)



- |                  |                |
|------------------|----------------|
| 1. Argentina     | 11. Indonesia  |
| 2. Brazil        | 12. Kenya      |
| 3. Burkina Faso  | 13. Mali       |
| 4. Cameroon      | 14. Mauritania |
| 5. Chad          | 15. Niger      |
| 6. Côte d'Ivoire | 16. Nigeria    |
| 7. Ethiopia      | 17. Senegal    |
| 8. Gambia        | 18. Vietnam    |
| 9. Ghana         |                |
| 10. Guinea       |                |

Area 2 was a critical focus of implementation in 2021, with significant results achieved across various entry points of sustainable finance, including banking, blended finance, nature finance, resilient infrastructure, and tailored support for the Sahel.

### *Establishing the Office of the Special Coordinator for Development in the Sahel*

- **The Joint Programme enabled the establishment and operationalization of the Office of the Special Coordinator for Development in the Sahel (OSCDS) in 2021, under the leadership of Special Coordinator Abdoulaye Mar Dieye.** The Office leads collective efforts, including financing, to implement the United Nations Integrated Strategy for the Sahel (UNISS) and its Support Plan for a scaled-up United Nations development response, including a new, positive narrative around SDG investment in a sustainable and resilient Sahel.

- This includes specific programmatic support for the Office's capacity in the area of **resource mobilization and investment promotion in the Sahel**. As this mechanism to support investment in the Sahel began to be established in 2021, it already delivered concrete results.
- The **Joint Thriving Sahel Fund commitment (\$1.6 billion over 2022-2027)** was secured on 9 July 2021, through a partnership with the Arab Bank for Economic Development in Africa and the Arab Gulf Programme for Development, to catalyze initiatives on sustainable development and stabilization in the Sahel.
- **In 2021, the UNISS launched several high-level target-oriented partnerships and resource mobilization pursuits at national, regional, and international level** including with renewed strategic engagement with Governments in the Sahel, regional institutions and structures including ECOWAS, G5 Sahel, Great Green Wall initiative, Liptako-Gourma Authority (LGA) and the Lake Chad Basin Commission, as well as IFIs and other development partners. Thanks to the capacity made possible through the Joint Programme, OSCDS is continuing to mature its strategies and mechanisms to build partnerships for a resilient Sahel.
  - OSCDS secured a commitment from the **Government of Korea (\$1 million)** to fund joint United Nations programming in the Liptako-Gourma region, in collaboration with LGA, and is exploring further partnership opportunities with the Korea International Cooperation Agency.
- **With support from the Joint Programme, OSCDS is continuing to mobilize funds for the delivery of the UNISS by engaging an ever-growing number of partners.**
  - Islamic Development Bank: A mapping exercise for initiatives in the Sahel has started, this exercise will be the benchmark basis for common engagement in the region, leading to a Memorandum of Understanding to be signed at the Bank's annual meetings in June 2022.
  - Also underway is engagement with the African Development Bank on common initiatives around renewable energies, the Great Green Wall and the "desert-to-power" programme, with another Memorandum of Understanding expected to be signed in 2022.
  - OSCDS is engaged in ongoing discussions with the European Union, Italy, United Arab Emirates, Norway, France, as well key initiatives such as the Global Green Growth Institute, Green Climate Fund.
  - As a critical initiative to move the needle on the structuring of a pipeline of SDG-oriented projects in the Sahel, OSCDS is currently collaborating with the International Finance Corporation on the identification of bankable projects.

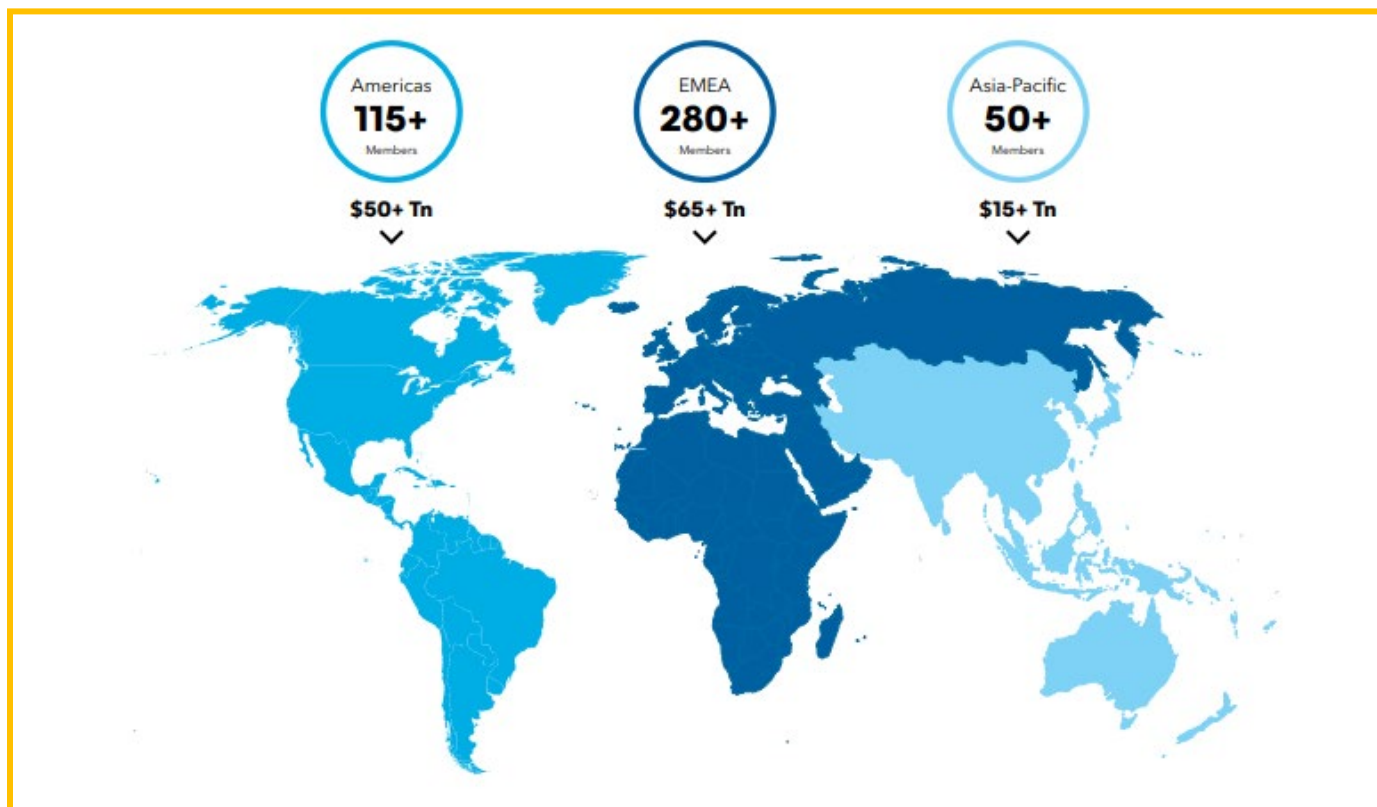
- Through the resources catalyzed via OSCDS with the seed funding of the Joint Programme, a new generation of scaled-up, joint programming is being made possible. An example is the launch of Generation Unlimited Sahel in November 2021, which aims to connect more than 100 million young people in the Sahel with opportunities and skills needed to thrive in the digital and green economy.



#### *Launching the Net-Zero Banking Alliance and Net-Zero Insurance Alliance*

- Through the Joint Programme, the UNEP Finance Initiative (UNEP-FI) was able to launch the Net-Zero Banking Alliance (NZBA) in April 2021, now backed by 106 banks and with \$68 trillion in total assets, almost 40% of global assets under management, and organized workshops with more than 1,000 participants on banking impact systems.
  - In the area of insurance, it also launched the Net-Zero Insurance Alliance (NZIA), now with 22 insurers and reinsurers, which represent more than 11% of world premium volume and over \$7 trillion in assets under management, and which is advancing progress on the development of the Insurance SDGs framework.
  - Taken together with broader capacity-building efforts aimed at the financial industry, these initiatives have the potential to transform financial markets in support of strategic objectives, including engagement with COP26 as part of the Glasgow Financial Alliance for Net Zero (GFAFANZ), which made a historical announcement on the mobilization of over \$130 trillion in assets managed through its alliances (see below).





- The foundational work done in 2021 to establish the NZBA and NZIA has the potential to catalyze systems-change in 2022. For 2022, the Alliances expected to reach more banks and insurance firms and will develop methodologies and guidance to support implementation. These materials will form the basis of webinars and capacity building to support financial institutions in establishing baselines and setting interim targets to decarbonize portfolios.
- The NZBA and NZIA, and more broadly the GFANZ, are also expected to support the Secretary-General's call for more credibility and accountability of private sector commitments to net zero on the way to COP27. This has already translated into the establishment of a High-Level Expert Group on Net-Zero commitments of non-State entities, launched in March 2022.
- **In 2021, UNEP-FI provided capacity building to enable banks to identify the impacts of their portfolios, in order to establish priority areas in which to set targets to align finance with the Paris Agreement and the SDGs.**
  - Technical capabilities were based on implementation of the **Principles for Responsible Banking (PRB)**, developed through a series of activities for more than 2,000 participants in the banking industry, including: practical demonstration of the use of tools, knowledge sharing, webinars, workshops, one-on-one sessions, peer to peer exchange, and regional roundtables
  - Banks were invited to evaluate their portfolios, identify positive and negative impacts and prioritize at least two **impact areas**.
  - In addition to climate finance aligned with a net zero scenario, banks also identified financial inclusion as a priority. As a result, UNEP-FI launched the

**Collective Commitment to Financial Inclusion & Health** with 28 banking signatories in 2021. Signatories commit to setting targets that make a substantial contribution to the financial health and inclusion of societies within the first 18 months of signing, and to report within 18 months on financial health and inclusion targets, and annually thereafter on their progress.

### *Accelerating progress towards the Green Gigaton Challenge*

- **The Joint Programme is accelerating progress on the implementation of the Green Gigaton Challenge, a public-private partnership to mobilize funding for a gigaton of high-integrity emission reductions from forest ecosystems by 2025.** UNEP has partnered with Emergent Climate, the lead facilitator for the LEAF Coalition, which has committed one billion US\$ for REDD+ results-based payments. UNEP is supporting countries to access funds under the LEAF Coalition from private donors, ultimately helping deliver 250 million tCO<sub>2</sub> equivalent in high-quality emission reductions. This is also accompanied by an advocacy campaign to increase public and private financing to slow and reverse forest ecosystem loss.
- During 2021, UNEP supported forest countries to access funding for forest conservation and sustainable use from both public and private sector. **Four countries signed at COP26 Letters of Intent for Emission Reduction Purchase Agreements (ERPAs)** with public and private sector actors worth \$280 million in results-based payments for an estimated 28 million tons of CO<sub>2</sub> equivalent: Ghana, Vietnam, Costa Rica and Ecuador.
  - It is expected that, based on the work undertaken in 2021, at least 3 additional countries will advance to ERPAs in 2022-2023.
- UNEP, in public-private collaboration with leading gaming studios, such as Ubisoft, organized a “Green Game Jam” that led to the launch of the global campaign “**Play4Forests**”, reaching more than 15 million gamers. This is part of an innovative advocacy campaign to mobilize funding for a gigaton of emission reductions by 2025, as a necessary milestone in order to achieve the goals of the Glasgow Declaration on Forest and Land Use. By working with gaming studios, the campaign enables specific engagement with young people, especially those that may not already be aware of issues related to forest finance.

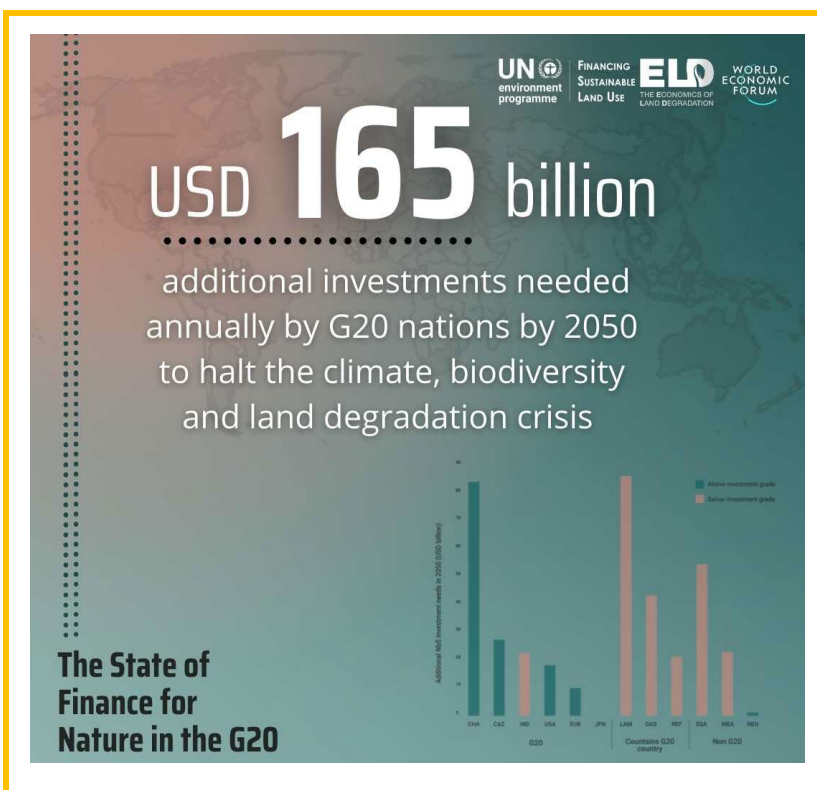




- In 2021, through the Joint Programme, UNEP also seconded staff that led to the establishment of the Integrity Council for Voluntary Carbon Markets (ICVCM) in early 2022. This new initiative intends to set and enforce definitive global threshold standards for carbon markets, based on science, so that high-quality carbon credits can channel finance at scale towards genuine greenhouse gas reductions and removals. This critical work continues in 2022 on the road to COP27.

### *Harnessing finance for deforestation-free agriculture*

- **The Joint Programme is enabling the scaling up of investment in nature- and climate-positive land use related to agriculture and forestry in developing countries.** At present agriculture is responsible for 70-80% of tropical deforestation. To address this, UNEP is fostering partnerships with private and public financial institutions, agribusinesses and consumer goods companies; and catalyzing blended finance transactions that deliver net positive impact for people, nature and the climate and communicate lessons learned to governments, the finance and business industry through a variety of platforms. This has included close engagement with high-profile platforms, such as the G20 process, the Food Systems Summit and COP26.



- UNEP published a report on **State of Finance for Nature**, in collaboration with the World Economic Forum, which has had significant media coverage and played a key role in building momentum for the "super year for nature", while informing the development of the Post-2020 Global Biodiversity Framework.
  - Aiming at targeted advocacy efforts with the G20, UNEP also developed a "State of Finance for Nature in G20 countries" report, developed through 2021 and released in January 2022.
  - Preliminary findings from the report were shared with

the G20 Italy Presidency in the lead-up to the meetings of Environment Ministers, helping inform discussions and communiqués.

- This analytical product is expected to continue informing discussions under the G20 Indonesia Presidency in 2022. Below is an example of its analytical findings.

- UNEP also launched the **Good Finance Network**, at the intersection of sustainable food, finance and ecosystems, in partnership with the World Business Council for Sustainable Development, World Bank, EAT Foundation and the FAIRR Initiative (Farm Animal Investment Risk & Return).
  - This network is a merger of various existing initiatives that had been operating in a fragmented way in recent years; this strategic effort is expected to reduce competition, inaction and confusion, and there help accelerate the agenda on the finance-food-nature nexus.
- **Progress is being made on the pilot reforestation project in Côte d'Ivoire, which has led to reforestation of 1,000 ha in the Nawa region.** A Small-Scale Funding Agreement (SSFA) has been completed with a non-profit entity called "Farmstrong" that actively stimulates agroforestry in Côte d'Ivoire through nurseries and by working with farmers and chocolate manufacturers.
  - Targets embedded in the contract include seedling production, integration of agroforestry modules, training of agroforestry experts, among others.
  - Through this pilot effort, the Joint Programme is enabling the development of a proof-of-concept for reforestation projects, with the potential for scale.

### *Building multilateral dialogue to advance resilient infrastructure*

- **The Joint Programme is supporting the elevation of the agenda on sustainable infrastructure, which his now more closely anchored in the 2030 Agenda and other United Nations policy frameworks.** EOSG supported the participation of the Deputy Secretary-General in a series of multi-stakeholder meetings convened by the President of ECOSOC (January and June 2021) in order to explore potential solutions to scale-up financing for sustainable infrastructure in developing countries and convened an internal United Nations system meeting on the issue as a follow-up in December 2021.
  - These activities resulted in raising the awareness of Member States on solutions and challenges of financing for sustainable infrastructure, as well as helped probe the political appetite in New York of a potential convening by the Secretary-General on the issue. It found that political decisions are needed to mobilize the financing and building a pipeline of viable projects, especially in developing countries.
  - This helped inform the development of a draft policy brief on Financing for Sustainable Infrastructure, led by DESA, in order to identify key challenges and solutions and raise awareness among Member States on the issue, including by exploring the possibility of a High-Level Event with Heads of State and Government.
  - This work continues to be advanced through DESA's analytical work, as well as through a potential revamping of the **Global Infrastructure Forum** (GIF), which was established through the Addis Ababa Action Agenda to be hosted in rotation by MDBs. While the GIF has garnered limited visibility in recent years, with support from the Joint Programme the United Nations system is exploring ways to enhance engagement in this space, including through strengthened overall collaboration with MDBs.

## 6. Area 3: Accelerating innovative and digital funding mechanisms for the SDGs

3



Accelerating innovative and digital funding mechanisms for the SDGs

### Objectives:

- Identify and quantify main risks and dependencies on nature across key industries value chains
- Country reviews with a view to establish enabling environment and incentives/disincentives to increase uptake of nature-related financial disclosure frameworks
- Support citizen-centric sustainable digital financing solutions to leverage private savings and policy and regulatory roadmaps for enabling citizens to use savings for financing
- Convene technical dialogues to advance discussions on best practices and promote citizen-centric digital financing solutions

### Initiatives:

1. Taskforce for Nature-related Financial Disclosures (UNDP)
2. Citizen Digital Financial Solutions (UNDP and UNCDF)



### Digital cooperation prototype countries:

1. Bangladesh
2. Rwanda

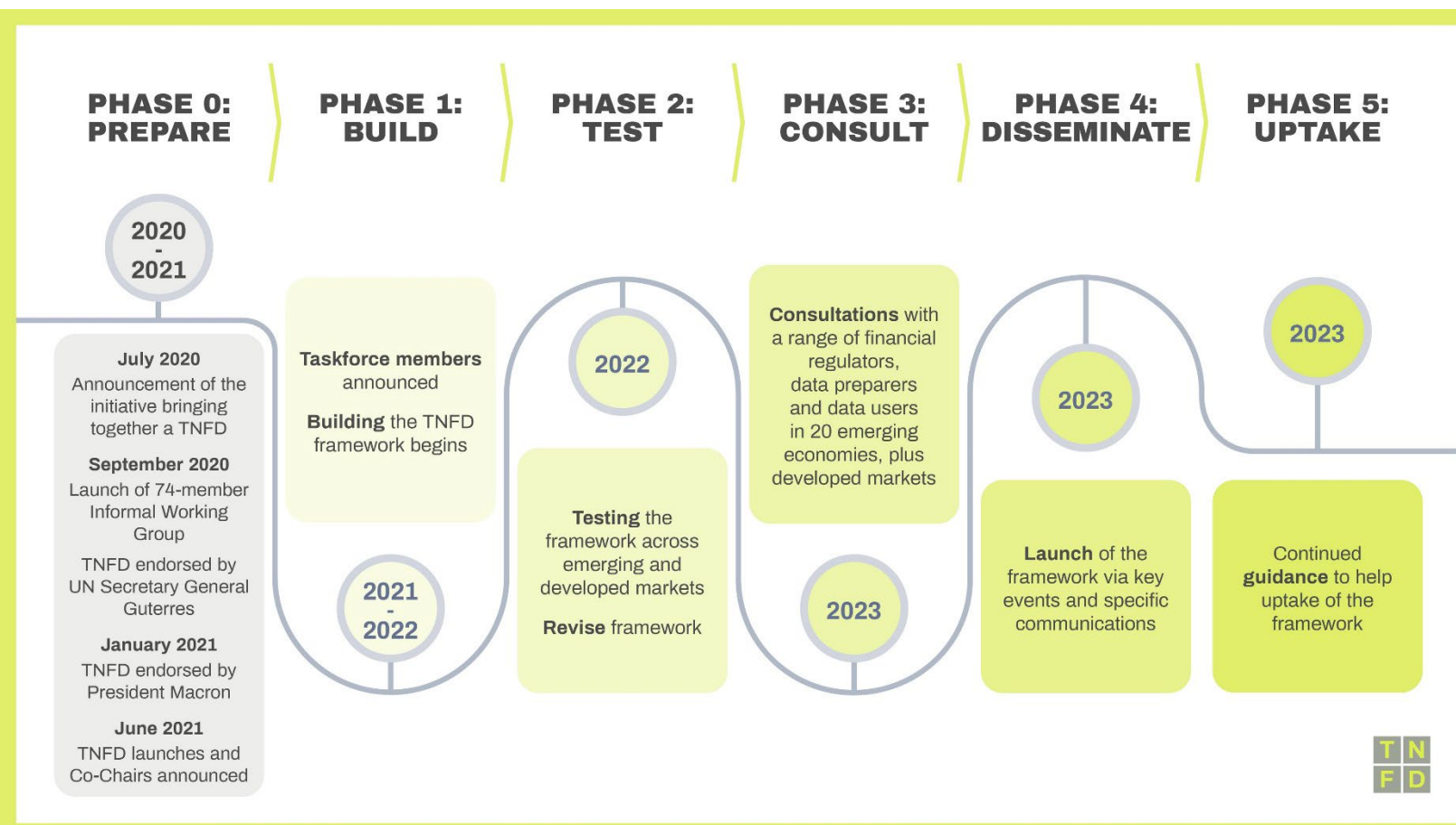
In area 3, the Joint Programme is accelerating innovative mechanisms to finance the SDGs, with a particular emphasis on themes related to nature-related risks and digital solutions.

### *Launching the Task Force on Nature-related Financial Disclosures*

- **The Task Force on Nature-related Financial Disclosures (TNFD) was launched in June 2021**, with the announcement of its Co-Chairs, Elizabeth Maruma Mrema, Executive Secretary of the UN Convention on Biological Diversity and David Craig, Group Head of Data & Analytics Division at the London Stock Exchange Group. Taskforce members represent key business sectors most at risk due to their impact and dependence on nature, according to the World Economic Forum's Nature Risk Rising Report. They represent companies that manage over \$18.3 trillion annually and have a footprint in over 180 countries.
  - The goal of the TNFD is to deliver a risk management and disclosure framework for organizations to report and act on nature-related risks, with the ultimate aim

of supporting a shift in global financial flows away from nature-negative outcomes and towards nature-positive outcomes. It is built on seven principles: market usability, science-based, nature-related risks, purpose-driven, integrated & adaptive, climate-nature nexus, and globally inclusive.

- Ahead of the official launch of the TNFD, the Joint Programme enabled UNDP's foundational analytical work as part of the Working Group on the TNFD, which developed three key documents in early 2021: the TNFD Blueprint "Nature in Scope", outlining the rationale, objectives, mandate, scope and principles of the TNFD; a complementary technical paper on metrics and data; and a proposed workplan for the TNFD.
- As a result of the extensive technical and advocacy work delivered under the Joint Programme in 2021, the TNFD was endorsed in the G7 Carbis Bay communique and featured in the G20 Sustainable Finance Roadmap adopted in 2021. Through the latter, annual progress on the development of the TNFD framework will be reported to the G20 Sustainable Finance Working Group, enabling accountability and focus on results.
- **This market-led, UN-supported initiative has already begun to drive critical change in the nature-positive investment space.** UNDP is supporting the secretariat established in September 2021 and is helping define the technical work needed to achieve TNFD milestones, as shown in the figure below.





- This includes research and analysis of key factors that would enable the success of the of TNFD in transitioning the financial and corporate sector to a nature-positive economy, as part of the knowledge products such as the “Nature-risk Industry Report” and “Nature Data Gap Analysis”. A Knowledge Hub has been established to coordinate work undertaken by the TNFD’s 13 knowledge partners, including on linkages between nature-related risks and financial stability.
- **With the groundwork for the TNFD laid in 2021, regulatory and policy work for transition nature-positive development will take centre stage in 2022. Over 360 institutions, public and private are already supporting the TNFD’s work through the TNFD Forum**, a consultative group of institutional supporters headquartered in 34 countries and territories. This signals the interest and demand of market players, regulators, policy makers, multilaterals, conservation groups, and lays the foundation for future effective uptake of the TNFD framework by financial markets.
  - In March 2022, the TNFD released the first beta version of the framework for market consultation. Further iterations of the beta versions are planned throughout 2022-2023 before the release of the final version of the TNFD framework by the end of 2023.

### *Innovating with digital sustainable finance*

- **Through a joint UNDP-UNCDF project, the Joint Programme is enabling the creation of a scalable digital finance solution** for developing countries to harness micro-savings from citizens to finance green priorities, while also catalyzing systemic changes through an enhanced enabling environment for innovative digital finance. The programme was initiated in Bangladesh with strong buy-in from the Government and with the aim to conceptualize, test and scale the initiative in 2021, building on preliminary efforts undertaken in 2020 in the area of digital crowdfunding.
  - The main accomplishments of the programme in 2021 were the creation of the detailed concept through a set of technical studies, the creation and testing of the digital finance platform itself – **Ekdesh** – its positioning at the heart of the Government’s strategy for financing green priorities, the identification and signing of the Fund Manager through a private partnership, the capturing of lessons learned throughout the implementation process - such as legislative, bureaucratic and societal inhibitors - and the initiation of scaling of the initiative to Rwanda. In the next page is an example of Ekdesh’s online interface.
- **These activities revealed the tremendous potential of using domestic resources such as savings to finance sustainable development through digital finance mechanisms** across developing countries, as well as the challenges facing the implementation of innovative initiatives in such countries.
  - The project helped assess that the approach needed for systemic changes runs through a close-knitted partnership with the relevant Government agencies from the outset of the implementation of the digital finance platform. In Bangladesh this partnership enables the identification of existing legislative, bureaucratic and societal barriers throughout the implementation process, leading to effective discussion with national policymakers to deliver results.

- **Implementation has already led to suggested changes in the enabling environment for digital innovation ecosystems in Bangladesh**, including a campaign for digital financial literacy, as well as gathered attention in Rwanda, Gabon and amongst African Governors of the IMF and the World Bank Group. Work undertaken in 2021 has laid the foundation for operationalization of the solution in early 2022, when green infrastructure projects will be live on the platform, enabling mobilization of funds.



- **Partnerships have been key to implementation of the digital finance platform**, since it requires technical financial technology (fintech) expertise, fund management with access to green infrastructure projects and close collaboration with Government and regulators to ensure compliance. The partnership with UNCDF has provided the FinTech expertise needed to create the financial mechanisms behind the platform and provided the ability to issue a guarantee that is critical for the first pilot projects once financed. The close partnership with the government has allowed the team to navigate through a number of legislative obstacles and enabled the team to find and sign a partnership with an acceptable private fund manager, IDLC Finance Ltd.
- **The technical studies under this project show that the initiative is scalable and applicable to most developing countries** and have identified the technical and policy regulations needed to be able to harness this digital financial solution. A roadmap for such implementation is being developed in 2022 as a tool to address key barriers for the operationalization of innovative digital financing solutions, including legislation, capacity-building and socialization.

## 7. Area 4: Channeling private investment to the SDGs

4



Channeling private investment to the SDGs

### Objectives:

- Support countries to develop a pipeline of bankable SDG-oriented projects
- Develop and launch Global SDG Impact Investment Platform
- Create investor maps and other relevant standards, frameworks, guidelines to feed into Integrated National Financing Frameworks, Socio-Economic Response Plans and Nationally Determined Contributions

### Initiatives:

1. Supporting the preparation of bankable projects for investments by GISS Alliance member (DESA)
2. Global SDG Investor Platform (UNDP)

4



Channeling private investment to the SDGs



- |               |                |                  |
|---------------|----------------|------------------|
| 1. Armenia    | 11. India      | 21. Rwanda       |
| 2. Bangladesh | 12. Indonesia  | 22. South Africa |
| 3. Belize     | 13. Jordan     | 23. Thailand     |
| 4. Brazil     | 14. Kenya      | 24. Tunisia      |
| 5. China      | 15. Mauritania | 25. Turkey       |
| 6. Colombia   | 16. Morocco    | 26. Uganda       |
| 7. Costa Rica | 17. Namibia    | 27. Uruguay      |
| 8. Djibouti   | 18. Nigeria    |                  |
| 9. Eswatini   | 19. Paraguay   |                  |
| 10. Ghana     | 20. Rwanda     |                  |

In area 4 on channeling private investment to the SDGs, the Joint Programme is catalyzing significant progress in enhancing the United Nations system's ability to effectively engage private investors towards developing a pipeline of SDG-oriented investments.

### *Building a global SDG Investor Platform*

- **With support from the Joint Programme, UNDP launched the SDG Investor Platform in April 2021:** a user-friendly, dynamic online repository of data, insights and evidence on SDG-aligned investment opportunities, including information on regulatory and policy environments. The platform's objective is to facilitate investment and catalyze private capital flows towards SDG priorities.
  - The platform does this by providing access to essential insights, tools, and capacities, including UNDP's SDG Impact's innovative tools to accelerate investment towards the SDGs: the SDG Impact Standards provide a framework for authenticating investment practice; **SDG Investor Maps** generate market intelligence on SDG-enabling investment opportunities; and networking and facilitation opportunities that bring policymakers, investors, and enterprises together help catalyze deal-flow and translate market intelligence into policy changes and investment deals.
- **Maps for 26 countries were developed in 2021, covering over 270 investment opportunity areas.** Over 70 UNDP country offices and 3 UNDP regional bureaus have received training in SDG Investor Map methodology and SDG Impact Standards. All

countries having completed and currently producing SDG Investor Maps receive ongoing dedicated support by SDG Impact Regional Specialists in 4 regions. The platform also offers a news section, access to UNDP's "SDG Impact" training, user accounts, and links to relevant resources.

- **The SDG Investor Platform has, to date, an average of 30 users per day, and is already facilitating SDG-aligned investing**, including through providing a networking platform, sharing advocacy messages and relevant communications, providing access to SDG Impact Standards and Impact Measurement and Management trainings, other tools, frameworks and guidelines, and case studies. The Platform is helping shorten the runway to investment through instant access to global networks and tools around SDG investing, speeding up matchmaking and the identification of investable options as well as communication that lead to deal generation.
  - With the foundational work undertaken in 2021, **the Joint Programme will enable the development of maps for over 40 countries by end of 2022**. Below is a snapshot of the Platform, depicting two investment opportunity areas.

The screenshot displays the SDG Investor Platform interface. At the top, the logo for UNDP (United Nations Development Programme) is shown next to the text "SDG Investor Platform" and "By SDG Impact". Below the header, the section "Market Intelligence" is visible. On the left, a "Filters" sidebar contains dropdown menus for Region, Country, Sector, Subsector, SDGs Addressed, Indicative Return, and Investment Timeframe. At the bottom of the filters are "Apply" and "Reset Filters" buttons. The main content area, titled "Showing 330 Investment Opportunity Areas", displays two cards. The first card, for India, is titled "Access to credit to Micro, Small and Medium Enterprises (MSMEs) and low income groups for income generating purposes". It lists "FINANCIALS" as Commercial Banks, "EXPECTED IMPACT" as enhancing productivity and economic resilience, "INDICATIVE RETURN" as > 25% (in IRR), "TIMEFRAME" as Short Term, and "ESTIMATED MARKET" as > USD 1 billion. The second card, for Paraguay, is titled "Accessible financing for the family agricultural sector and MSMEs". It lists "FINANCIALS" as Paraguay, "EXPECTED IMPACT" as increasing financing alternatives to improve agricultural outputs, reduce poverty, and ensure food security, "INDICATIVE RETURN" as 10% - 15% (in IRR), "TIMEFRAME" as Short Term, and "ESTIMATED MARKET" as 30% MSMEs are formalized (263,106).



- **Concrete outcomes from the Platform in 2021 include:**
  - In **Ghana**, a Swiss-based impact adviser worked with UNDP to identify a base value of USD 39 million worth of SME investments consistent with national SDG priorities.
  - In **Colombia**, Bancolombia began to identify opportunities to invest in companies focused on the distribution of affordable and renewably sourced pre-paid electricity to off-grid communities. The map and Standards are being used by the Stage Impact Ventures programme, which is identifying a pipeline for investments in prioritized investment opportunity areas.
  - A wide range of case studies were developed and published on the Platform, as well as analysis of investment opportunity areas by regions, to help enhance the information ecosystem for SDG investment.
  - In partnership with Duke University's Fuqua School of Business, UNDP launched a new online training on "Impact Measurement and Management for the SDGs", which is also available on the Platform.
- **Building on the work undertaken in 2021, in 2022 the SDG Investor Platform will continue to expand and have a strengthened emphasis on delivering an effective pipeline of bankable SDG-oriented investments.**
  - This will include enhanced engagement with the "SDG investment ecosystem", while seeking to advance the global agenda on sustainable finance through the **G20 Sustainable Finance Working Group**.

### *Enhancing the SDG Investment Fair*

- **In parallel, the Joint Programme enabled DESA's revamping of the SDG Investment Fair, which transitioned from a one-off event to a year-round standing platform.** The Fair was launched in 2018 as a platform for countries to present bankable investment projects to investors with the main goal of channeling private investment towards the SDGs. In 2021 the Fair evolved into a year-round platform encompassing different elements, including: policy spotlighting, thematic workshops, facilitation of one-on-one meetings between countries and investors as well as formation of an ecosystem of United Nations entities working in the private investment space.



- **In 2021, Rwanda, Dominican Republic, Ghana, Jamaica, Kenya and Pakistan presented projects to private investors.** DESA supported countries by providing support to present and prepare investment projects. 15 projects were presented; 5 were contacted for follow-up by investors, and one project was selected to receive actual investment in 2022- the Development Impact Bond in Kenya. In addition, another 15 projects were already scheduled for the April 2022 edition of the Fair.
  - An information session delivered in December 2021 on the United Nations SDG investment ecosystem helped countries utilize resources from across the UN system to develop SDG investment pipelines, and is informing further work in 2022 on pursuing a coherent United Nations system-wide approach to engagement with private investors.
  - Experience from the Fair indicates that countries need greater capacity to conceive, prepare, and develop projects that advance the SDG agenda. All countries that have participated in the SDG Investment Fair thus far expressed a need for greater capacity to take projects from conception to implementation – prepare and review business plans, prefeasibility and feasibility studies, conduct environmental & social impact assessments and SDG analysis, and manage procurements and tenders at international standards, among others.
  
- **Building on its work with Kenya at the SDG Investment Fair, DESA began a pilot in 2021 with the Kenya SDG Partnership Platform (SDGPP),** in coordination with the United Nations Resident Coordinator for Kenya, to provide technical assistance for a number of bankable projects. The SDGPP is a flagship initiative under Kenya's UN Development Assistance Framework 2018-2022. This pilot is enabling an assessment of how to enhance the effectiveness of the SDG Investment Fair in moving financial flows towards the SDGs, by acceleration of three bankable projects already underway in Kenya.
  - Technical Assistance for legal and institutional framework review of the **Green Financing Facility and Rural Credit Guarantee Scheme of the Rural Kenya Financial Inclusion Facility (RK-FINFA)**:
    - RK-FINFA is a six-year development project financed jointly by the International Fund for Agricultural Development (IFAD) and the Government of Kenya. RK-FINFA supports the transformation of rural and smallholder agriculture sector through private sector-led development by improving the access of the smallholder farmers and rural micro, small and enterprises to appropriate financial services. The technical assistance aims to improve the environment for investment facilitation.
  - Impact analysis and investment case for **Generation Unlimited (GenU) in Kenya**, a UNICEF-led global multi sector partnership to expand education, skills training and employment opportunities for young people with the expectation of multiple investment opportunity spinoffs via innovation and infrastructure enhancement:
    - DESA will avail technical input to strengthen the GenU Kenya's Public Private Youth Partnership's investment case and private sector engagement to ensure achievement of the ambitious goal of skilling youth for the future and linking them to entrepreneurship and employment opportunities by 2030.

- Technical assistance for the **Kenya Development Impact Bond**. The Programme adopts the Development Impact Bond as its financial instrument where potential social investors are expected to come on board to pre-finance the programme for a return. The expectation is that the Bond will be presented at a future edition of the SDG Investment Fair for further investment.
  - The technical assistance will focus on producing a **detailed financial model**, a comprehensive investor outreach and mobilization strategy and a plan for national integration of outcome payments in public budgets.
  - DESA's technical support for the Kenya Development Impact Bond is also aligned with other efforts from the United Nations system, such as the seed investment made by the Joint SDG Fund.

## 8. Area 5: Supporting food systems transformation in support of the SDGs

5



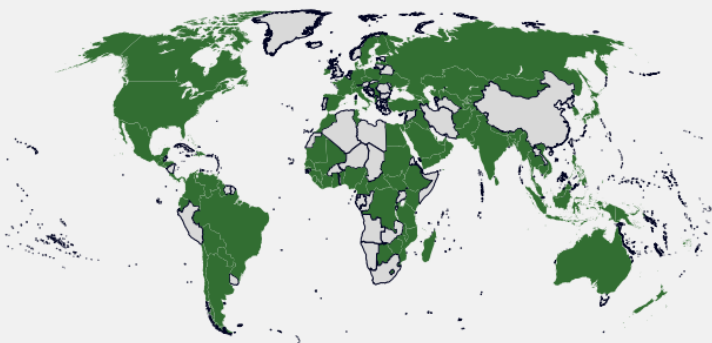
Supporting food systems transformation in support of the SDGs

### Objectives:

- Support countries to lead Food Systems Dialogues to develop national pathways towards sustainable food systems for the coming decade in line with the 2030 Agenda for Sustainable Development, and opportunities to bring the pathway to life with practices, policies, actions, partnerships and commitments.

### Initiatives:

- 2021 Food Systems Summit (EOSG)



- |                |                      |                       |
|----------------|----------------------|-----------------------|
| 48. Georgia    | 67. Kiribati         | 86. Mongolia          |
| 49. Germany    | 68. Korea            | 87. Morocco           |
| 50. Ghana      | 69. Kuwait           | 88. Mozambique        |
| 51. Guatemala  | 70. Kyrgyzstan       | 89. Myanmar           |
| 52. Guinea     | 71. Lao PDR          | 90. Namibia           |
| 53. Guyana     | 72. Latvia           | 91. Nauru             |
| 54. Haiti      | 73. Lesotho          | 92. Nepal             |
| 55. Honduras   | 74. Liberia          | 93. Netherlands       |
| 56. Hungary    | 75. Madagascar       | 94. New Zealand       |
| 57. India      | 76. Malawi           | 95. Niger             |
| 58. Indonesia  | 77. Malaysia         | 96. Nigeria           |
| 59. Iraq       | 78. Mali             | 97. Norway            |
| 60. Ireland    | 79. Malta            | 98. Oman              |
| 61. Israel     | 80. Marshall Islands | 99. Pakistan          |
| 62. Italy      | 81. Mauritania       | 100. Palau            |
| 63. Japan      | 82. Mauritius        | 101. Panama           |
| 64. Jordan     | 83. Mexico           | 102. Papua New Guinea |
| 65. Kazakhstan | 84. Micronesia       | 103. Paraguay         |
| 66. Kenya      | 85. Moldova          | 104. Peru             |

### Countries with national dialogues<sup>1,2</sup>:

- |                |                              |  |
|----------------|------------------------------|--|
| 1. Afghanistan | 17. Brazil                   | 33. Democratic Republic of Congo (DRC) |
| 2. Albania     | 18. Burkina Faso             | 34. Denmark                            |
| 3. Algeria     | 19. Burundi                  | 35. Djibouti                           |
| 4. Angola      | 20. Cambodia                 | 36. Dominican Republic                 |
| 5. Argentina   | 21. Cameroon                 | 37. Ecuador                            |
| 6. Armenia     | 22. Canada                   | 38. Egypt                              |
| 7. Australia   | 23. Central African Republic | 39. El Salvador                        |
| 8. Azerbaijan  | 24. Chad                     | 40. Equatorial Guinea                  |
| 9. Bahamas     | 25. Chile                    | 41. Eswatini                           |
| 10. Bahrain    | 26. China                    | 42. Ethiopia                           |
| 11. Bangladesh | 27. Colombia                 | 43. Fiji                               |
| 12. Belgium    | 28. Comoros                  | 44. Finland                            |
| 13. Benin      | 29. Congo                    | 45. France                             |
| 14. Bhutan     | 30. Costa Rica               | 46. Gabon                              |
| 15. Bolivia    | 31. Côte d'Ivoire            | 47. Gambia                             |
| 16. Botswana   | 32. Czechia                  |  |

- |                         |                        |                     |
|-------------------------|------------------------|---------------------|
| 105. Philippines        | 122. Spain             | 139. United Kingdom |
| 106. Poland             | 123. Sri Lanka         | 140. Uruguay        |
| 107. Qatar              | 124. Sudan             | 141. USA            |
| 108. Russian Federation | 125. Sweden            | 142. Uzbekistan     |
| 109. Rwanda             | 126. Switzerland       | 143. Vanuatu        |
| 110. Samoa              | 127. Tajikistan        | 144. Venezuela      |
| 111. Saudi Arabia       | 128. Tanzania          | 145. Vietnam        |
| 112. Senegal            | 129. Thailand          | 146. Yemen          |
| 113. Serbia             | 130. Timor-Leste       | 147. Zambia         |
| 114. Seychelles         | 131. Tonga             | 148. Zimbabwe       |
| 115. Sierra Leone       | 132. Trinidad & Tobago |                     |
| 116. Slovakia           | 133. Tunisia           |                     |
| 117. Slovenia           | 134. Turkey            |                     |
| 118. Solomon Islands    | 135. Tuvalu            |                     |
| 119. Somalia            | 136. UAE               |                     |
| 120. South Africa       | 137. Uganda            |                     |
| 121. South Sudan        | 138. Ukraine           |                     |

<sup>1</sup> A selection of these countries will receive funding.

<sup>2</sup> The European Union is also hosting a national dialogue.

### Food Systems: From global summit to national pathways

In area 5, the Joint Programme supported the delivery of the Food Systems Summit, held in New York on 23 September, which galvanized action by Member States and other stakeholders to support achievement of the SDGs by making food systems more sustainable, resilient and inclusive. This includes ensuring universal access to safe, nutritious food; shifting to sustainable consumption patterns; boosting nature-positive food production;

advancing equitable livelihoods and value distribution; and improving food system resilience. The Summit was preceded by a “Pre-Summit” moment in Rome on 26-28 July.

- **The Joint Programme’s support placed a particular emphasis on the country-level dimension of the broader process underpinning the Summit**, consisting of the development of national pathways for food systems transformation. Pathways are living documents that provide emerging national strategies for transformation of their food systems.
- **The Food Systems Summit enabled unprecedented high-level strategic engagement at the nexus between food systems and sustainable development:** 163 Member States, including 77 Heads of State and Government, made statements at the Summit speaking to the importance of food systems in advancing the 2030 Agenda nationally and globally.

- **30 multi-stakeholder initiatives and coalitions** were formed by Member States and other stakeholders to align behind delivering on national and regional pathways for food systems transformation.



- They include multi-stakeholder announcements focused on zero hunger, healthy diets, universal school meals, food is never waste, agroecology, sustainable intensification, blue and aquatic foods, decent work and living incomes, climate-resilient food systems, as well as others contributing to boosting nature-based solutions, building resilience, and unlocking finance, innovation, and other means of implementation.
  - **More than 230 commitments were made on a Summit commitments registry.** These voluntary commitments came from Member States and stakeholders across the food systems landscape who sought to register their collective or institutional commitments to action which are aligned to the action areas in the Chair’s Summary and Statement of Action. At the time of the Summit, the 218 commitments that were posted included 29 to advance equitable livelihoods, decent work, empowered communities; 89 to boost nature-based solutions; 42 to nourish all people; 29 to support means of implementation. 20 had a digital focus, 48 had an innovation dimension, and 24 had a focus on finance. The registry is a living space and commitments continue to grow. These commitments, alongside the elaborated national pathways, are the starting place for a two-year stock take that will continue to be supported in 2022.
- **More than 1,630 dialogues were announced, comprising global, regional, national and independent dialogues, encompassing over 108,000 participants**, surpassing the targets set for 2021. 148 countries have nominated a National Convenor, and leadership of national dialogues has been driven by numerous sectors including

- **As an outcome of the national Dialogues, 111 Member States have developed national pathways for food systems transformation in 2021**, available on the Food Systems Summit Gateway. These pathways are increasingly being formally recognized within Governments and becoming embedded in programmes, policies and budgets. They represent a critical foundational element to the Summit follow-up process and will help guide UN support and partnership engagement in the years to come. Below is a snapshot of the Gateway showing results related to dialogues.





- **An agreement with UNDP and the United Nations Development Coordination Office (DCO) enabled the disbursement of small grants to United Nations Resident Coordinators** as focal points at country level to support their collaboration with the National Convenor and to further encourage as many countries as possible to participate. Following the initial request for proposals sent to all Resident Coordinators, 83 requests were granted through three funding rounds. Largely drawing on resources from the Summit's Trust Fund, nearly US\$ 2.25 million was disbursed. In some cases, these resources also enabled regional dialogues to take place among countries. This shows how Italy's investment enabled further catalyzing of financial resources for the development of national pathways, which in themselves also present opportunities for investments in food systems.
- **Throughout this process, three synthesis reports were developed** to take stock of these experiences, as well as key resources to enable sustainability of results, including a reference manual for convenors, a Member State dialogues handbook, and an independent dialogues handbook.
- **In the Secretary-General's Chair's Summary and Statement of Action at the Summit, he committed the United Nations system to jointly lead a Coordination Hub** that collaborates with, and draws upon, wider system capacities to support follow-up to the Food Systems Summit. Italy's investment will contribute to the set-up of the Coordination Hub, which is based in Rome and became operational in January 2022.
  - **Between September and November 2021, EOSG led a consultation process** that brought together several UN entities to design the Hub, with the objective of ensuring that it maintains the momentum, builds on, and advances the deliverables that emerged through the two-year Summit process. A workshop was convened by the Special Envoy of the Secretary-General for the Food Systems Summit in October 2021 as an important element of the consultation process to advance design of the Hub and development of its Terms of Reference.
  - **The Hub was established on 1 January 2022 within the Office of the Director-General of the Food and Agriculture Organization (FAO),** on behalf of the United Nations system. with the following strategic objectives:
    - Continued support to food systems national dialogues and national pathways through the coordination of technical and policy support requested by countries as they formulate and implement national pathways for food systems transformation;
    - Staying connected with the broader ecosystem of actors for sustainable food systems, including coalitions and other initiatives as well as the science ecosystem, and promoting the better integration of these efforts with country demand; and,
    - The elevation of priority topics in the food systems transformation agenda for strategic thought leadership of the United Nations system and leading actors in the ecosystem of support.

## 9. The way forward

**In the third year of the Decade of Action, the world faces unprecedented challenges.**

Stagnating progress towards the SDGs, worsened by the COVID-19 pandemic, is now further threatened by the war in Ukraine, geopolitical instability, humanitarian crises, and skyrocketing energy and food prices. As these factors drive risk and insecurity for vulnerable populations around the world, there is an urgent need to turbocharge progress and rescue the SDGs.

**With the beginning of the second term of the Secretary-General in 2022, his report on Our Common Agenda provides new momentum to accelerate the 2030 Agenda.** This includes a renewed emphasis on strategic engagement with the private sector, and a clear emphasis on the links between credible, sustainable finance, investment pipelines and SDG outcomes at country level. As the Secretary-General's Strategy and Roadmap to finance the 2030 Agenda reached their end in 2021, in 2022 the Joint Programme will enable continued delivery of catalytic initiatives to finance a green, inclusive and sustainable recovery from COVID-19, while adapting to current circumstances and emerging priorities.

**The Joint Programme's pooled funding will continue to interlink initiatives to unlock SDG financing with a sense of urgency.** Building on 2021 activities and results, 2022 is expected to see the scale-up and maturing of activities with an enhanced emphasis on tangible financial flows at country level; strengthening of the youth dimension; and strategic engagement with key 2022 summits and processes, including the Indonesian G20 Presidency and COP27, taking place in Egypt. Further efforts on knowledge management will be key to ensure that the various foundational deliverables and outputs developed in 2021 not only support further Joint Programme work in 2022, but also cross-fertilize with other areas of the United Nations system to maximize the benefits of the Joint Programme.

**Further engagement will be sought between the Joint Programme's activities and the Secretary-General's priorities in recovery from COVID-19, including the FfDI and engagement with the G20,** across a range of key strategic opportunities, including the annual session of the United Nations Finance for Development Forum, the Spring and Fall meetings of the World Bank & International Monetary Fund; the high-level week of the 77th UN General Assembly. Throughout these processes, the Joint Programme is well placed to catalyze integrated and just transitions in food systems, energy access and digital inclusion and connectivity that will be critical to accelerate progress on the SDGs. Many of these are directly related to the policy proposals being set for by Global Crisis Response Group on Food, Energy and Finance, established by the Secretary-General in response to the effects of the war in Ukraine.

**Italy's generous investment and engagement as a strategic and financial partner will be crucial in this next phase of the Joint Programme,** as the United Nations seeks to significantly scale up public and private financing for a sustainable recovery anchored in the 2030 Agenda. The critical achievements of Italy in 2021, in particular the outcomes of the G20 Rome Summit and of the COP26 Glasgow Climate Pact, provide a strategic foundation on which to build in 2022. The Joint Programme will be a key instrument to mobilize the United Nations system with coherence, innovation, sense of urgency and an emphasis on



tangible results that have the potential to scale up and move the needle on the Decade of Action.

## Annex: Joint Programme Monitoring Tool 2021 results

	Activities	Indicators	Baseline (January 2021)	Target (December 2021)	Results (December 2021)
<b>1. Fund Outcome: The UN has the strategic capacity to carry out the objectives of the Secretary-General's financing strategy</b>	<b>EOSG: Strategic Capacity to support the SG agenda on sustainable finance in the framework of the socioeconomic response to COVID-19 (601,346 US\$)</b>	1) G20 2021 outcome is aligned with Secretary-General priorities on financing for a sustainable recovery	-	Qualitative indicator: as reflected in final G20 communiqué and other deliverables, including Sustainable Finance Roadmap	The UN engaged closely with the G20 process through its role as secretariat of the Sustainable Finance Working Group, helped deliver the Roadmap on Sustainable Finance. In addition, throughout the Italian G20 presidency, the system engaged in strategic advocacy with Governments and IFIs to help secure critical financial relief to enable countries to finance green, inclusive and sustainable recovery, including extension of the DSSI, decisive progress towards establishment of the IMF's Resilient Sustainability Trust, and use of other innovative policy tools. Further engagement will be required in 2022 to ensure that priorities of a sustainable recovery anchored in the 2030 Agenda could be reflected in the G20 process.
		2) Successful UNFCCC COP26 outcome in terms of financing for both mitigation (country and stakeholder commitments to NDCs aligned with 1.5 degrees) and adaptation (including the 100 billion a year commitment)	-	Qualitative indicator: as reflected in COP26 negotiations and outcome	While the COP26 outcome in November 2021 is alive, further progress remains critically needed on climate finance, informing the approach of the United Nations towards COP27 in Egypt

	Activities	Indicators	Baseline (January 2021)	Target (December 2021)	Results (December 2021)
<b>Output 2.1: Scaling-up for climate finance</b>	<b>UNEP: Nature-Based Solutions Movement (300,000 US\$)</b>	3) Number of events convened, and private sector or finance organizations reached, in building momentum for Nature-Based Solutions ahead of COP 26	-	4 global events and 2 regional events convened	Two key events with the European Union Presidency were held in June 2021 and as event to COP26 in November 2021. Further advocacy and engagement has been undertaken with the World Economic Forum Champions of the Earth; the World Business Council for Sustainable Development; and through the release of UNEP/IUCN report on NbS for climate mitigation at COP26, enabling effective outreach to a broad range of public and private stakeholders. Taken together, these interventions have elevated discussions on Nature-based Solutions with high-level decision-makers, laying a foundation for an action agenda to move the needle and accelerate NbS in the coming years.
	<b>EOSG and OHRLLS: Addressing SIDS vulnerabilities through enhanced access to sustainable development and climate finance (330,000 US\$)</b>	4) Progress is made towards finalization of the MVI and in the maturing of debt-climate swap initiatives for SIDS	SIDS vulnerability is exacerbated due to their limited ability to access international financing; the process to develop an MVI remains fragmented and theoretical; debt-swaps are considered a financial innovation but not yet operationalized.	Qualitative indicator: SIDS vulnerability is recognized at COP26 alongside new pledges for climate/SDG financing for SIDS; Member States agree at UNGA76 on a proposal to move forward with the finalization of the MVI	The SAMOA Pathway Resolution adopted by the UN General Assembly in November 2021 included a decision requesting the President of the General Assembly to establish a high-level expert group to carry forward to the work on the MVI by 2022. OHRLLS published a report on the preliminary design of an MVI and undertook close coordination with the Office of the President of the General Assembly in structuring the high-level panel, which was publicly announced in November 2022. More broadly, the Glasgow Climate Pact encourages providers of development finance to consider vulnerability for allocation of concessional finance, as well as increased efforts for effective access to climate finance, and to take into account the increased indebtedness of countries vulnerable to climate change.

	Activities	Indicators	Baseline (January 2021)	Target (December 2021)	Results (December 2021)
<b>Output 2.2: Improving the access of countries to sustainable finance, especially in the LDCs and SIDS</b>	<b>UNEP-FI: Building the capacity of financial institutions to set and deliver on ambitious targeted outcomes for mobilizing private investment in the SDGs (400,000 US\$)</b>	5) Number of banks and insurers requesting participation in programme and receiving preliminary training	0	6 regional capacity building workshops with 30 financial institutions and 3 Roundtables with 1,500 participants	15 training workshops for 80 banks, almost 1,000 participants, from 29 countries. and three Roundtables on Sustainable Finance held with more than 1,900 participants Launched New Zealand Banking Alliance (NZBA) April 2021, now has 106 banks from 40 countries with US\$ 68 trillion total assets – representing almost 40% of bank assets worldwide. Launch of Collective Commitment to Financial Inclusion and Financial Health with 28 signatories in December 2020
	<b>EOSG: ECOSOC dialogue on sustainable infrastructure (100,000 US\$)</b>	6) The agenda on financing for sustainable infrastructure is more closely anchored in the 2030 Agenda and other UN policy frameworks	-	Qualitative indicator	The agenda on sustainable infrastructure is more closely integrated in UN discussions, plans for a High-Level Dialogue on Finance for Sustainable Infrastructure, at the level of Heads of State and Governments, to take place in 2021

	Activities	Indicators	Baseline (January 2021)	Target (December 2021)	Results (December 2021)
<b>Output 2.2: Improving the access of countries to sustainable finance, especially in the LDCs and SIDS</b>	<b>EOSG/OSCDs: Sahel Investment Support Mechanism (1,400,000 US\$)</b>	7) Total dollar amount of funds raised for development in the Sahel, and allocated in alignment with the 6 priority areas of the UN Integrated Strategy for the Sahel (cross-border cooperation, prevention and sustaining peace, inclusive growth, climate action, renewable energy, women & youth)	-	Multi-year commitment of the Thriving Sahel Fund (1.6 billion over 2022-2027)	The Thriving Sahel Fund commitment has been secured and UNISS-related programming has been launched, such as GenU Sahel. The Office of the Special Coordinator for Development in the Sahel is well placed to pursue further fundraising and programming to advance the UNISS.
	<b>UNEP: Scaling up public/private finance for deforestation-free agricultural commodity production in Africa and other key developing countries (200,000 US\$)</b>	8) Amount of pilot co-funding for forest restoration, including through agroforestry, in degraded forest landscapes in Cote d'Ivoire, benefitting communities and smallholder farmers, and amount of forest restoration.	0	US\$ 100,000 in co-funding, leading to 2,500 ha of forest restoration	Progress is being made towards confirming co-funding, with 1,000 ha in reforestation secured to date (Nawa region)
	<b>UNEP: Forest Solutions – UNREDD (200,000 US\$)</b>	9) Total quantity of high-quality jurisdictional REDD+ emission reductions by 2025 that are rewarded based on public and private financing pledges confirmed for results-based payments	-	Progress towards the "Green Gigaton Challenge" (1 billion in 2025) through pledges confirmed by end of 2021	4 countries (Ghana, Vietnam, Costa Rica and Ecuador) have been confirmed as being in the first wave of jurisdictions entering purchase agreements with LEAF Coalition corporate participants, for a total 28.25 million tons at a price of 10 US\$/ton yield a total value of 282.5 million US\$ in results-based payments.



	Activities	Indicators	Baseline (January 2021)	Target (December 2021)	Results (December 2021)
<b>Output 2.3: Accelerating innovative and digital funding mechanisms for the SDGs</b>	<b>UNDP/ Taskforce for Nature-related Financial Disclosures (600,000 US\$)</b>	10) Significant progress is achieved in development of a robust TNFD framework, with engagement across different stakeholders and backed by concrete industry support, with a view to delivering standards in 2023. Identification of most promising approaches and measures to achieve the mandate of TNFD	Limited understanding by Ministries of Finance of the relevance of nature-related risks and footprint of economic development and long-term financial stability. Limited engagement of central banks of the degree to which financial portfolios are exposed to nature-related risks or generate negative footprints on nature and society.	Advanced understanding by the G20 of the nature-related risks as evidenced by knowledge products circulated through the SFWG of G20 and commitments / statements of G20 on nature-related risks. Central Banks in at least 5 countries are engaged in analysis of regulator and policy prerequisites for triggering nature-related disclosure by their registrants.	The level of raised awareness of the corporate sector and Governments has been unprecedentedly raised due to the TNFD. Central Banks have been actively engaged in Informal Working Group that prepared the launch of TNFD. Seven Central Banks have engaged in TNFD Forum (Argentina, Kenya, Singapore, Mexico, Nigeria, Peru, England). Central Banks (India, Indonesia, Zambia, Costa Rica and Mexico) are participating in the regulatory review of prerequisites needed for nature disclosures.
	<b>UNDP/UNCDF Citizen Digital Financial Solutions (400,000 US\$)</b>	11) Number of countries that have implemented or piloted the citizen-centric digital financing solution to mobilize financing for green/sustainable investments, or are taking initial steps towards	No digital platform in developing countries; preliminary interest in Bangladesh triggered by the Task Force on Digital Financing for the SDGs.	One country (Bangladesh) will have piloted the digital financing solution and minimum one additional country will have initiated its work on the pilot.	One country, Bangladesh, piloted the digital financing platform to mobilize financing for micro-savings for green infrastructure projects in November 2021. While the platform was operational and tested, further work is needed to operationalize the platform with live projects. Another country, Rwanda, initiated its work towards implementing the digital financing platform.

	Activities	Indicators	Baseline (January 2021)	Target (December 2021)	Results (December 2021)
<b>Output 2.4: Channeling private investment to the SDGs</b>	<b>UNDESA: Supporting the preparation of bankable projects for investments by GISD Alliance members (100,000 US\$)</b>	<p>12) Progress of investment projects in the programme</p> <p>Additional contextual figures on number of projects in program; presented in SDG Investment Fairs in 2021; proposed for Fair presentation in 2022; participated in capacity building; with formal SDG analysis performed; contacted for follow-up by investors; received investment.</p>	<p>12 projects presented at Fair in 2021; 15 in pipeline for 2022; no countries participating in capacity building; 3 projects contacted for follow-up by investors. No investment received.</p>	<p>18 projects presented at Fair in 2021; 18 in pipeline for 2022; 6 countries participating in capacity-building; 5 projects contacted for follow-up by investors; at least one project expected to receive investment in 2022</p>	<p>In 2021, Rwanda, Dominican Republic, Ghana, Jamaica, Kenya and Pakistan presented projects to private investors. DESA supported countries providing support to present and prepare investment projects. 15 projects were presented. 5 were contacted for follow-up by investors. One project was selected to receive actual investment in 2022- the Development Impact Bond in Kenya. In addition, another 15 projects were already scheduled for the April 2022 edition of the Fair.</p>
	<b>UNDP: Global SDG Impact Investment Platform (400,000 US\$)</b>	<p>13) Number of SDG Impact country maps</p> <p>Additional contextual figures on total number of users of the SDG Investor Platform; self-reporting by users on investments realized; indicative information on investment opportunity areas (IOAs) across countries and sectors; progress towards SDG investment seal.</p>	<p>14 maps</p>	<p>24 maps</p>	<p>26 country maps were developed. There were 1,236 users on average on the platform. 1,236 users registered for a course on using the platform. Over 1,200 users have registered for the UNDP/Duke SDG impact course. Concrete evidence of use in Ghana, Colombia and U</p>

	Activities	Indicators	Baseline (January 2021)	Target (December 2021)	Results (December 2021)
<b>Output 2.5: Supporting food systems transformation in support of the SDGs</b>	<b>EOSG: 2021 Food Systems Summit (100,000 US\$)</b>	14) Number of Food System Dialogues held in the context of the Food Systems Summit, including national dialogues, regional dialogues global dialogues and stakeholder dialogues	-	1,500 announced dialogues (including global, regional, national and independent dialogues) , convening 100,000 participants	More than 1,630 dialogues announced (inc global, regional, national and independent dialogues), convening over 108,000 partici across all UN Member States. 148 Nationa Convenors have convened dialogues, leadi 111 National Pathways for Food Systems.