

UN Multi-Partner Trust Fund Office

UN Pooled Funds Stakeholder Discussion Forumⁱ

SUMMARY OF TOPICS DISCUSSED

16 November 2021

Conclusions from the previous Forum

The Forum started with a review of the key conclusions from the previous edition that took place in December 2020. At the previous meeting, there was agreement among participants that this forum is a valued platform to discuss pooled funding and it was suggested to continue it on its virtual format for participation from various locations. There was recognition that flexible financing incentivizes multi-stakeholder and multi-sector efforts towards Agenda 2030, and of the added value of well-designed pooled funds that contribute to joint financing and UN Reform at country-level. In that regard, some speakers highlighted that “pooled funds are to the system what core is to an Agency, in that they provide flexible and inter-agency funding in line with UNDS repositioning efforts.” UN entities underscored the importance of supporting UN country offices during design of UNSDCF.

Status and update on pooled funding

According to the latest data presented in the background paper, shared ahead of the discussion forum, and with the just released information from the inter-agency pooled fund database with full 2020 data, pooled funds have been growing in recent years. This was triggered largely by UN Funding Compact commitments from UN entities and Member States in terms of the volume and quality of pooled funds which are an important part of the overall UN funding mix. The World Health Organization (WHO) opened the forum by highlighting the value of pooled funds in supporting countries with the full force of the UN system, enabling pro health, whole of government and whole of society solutions. WHO also highlighted that a key challenge is support in capacity building at country level.

The Funding Compact target of 10% - of non-core resources for development-related activities channeled through interagency pooled funds - is within reach, but there are concerns about major funds still being underfunded. Contributions to inter-agency pooled funds totaled US\$ 3.1 billion in 2020 (the first time ever to pass the US\$ 3 billion mark), a US\$ 0.1 billion increase compared to 2019, with about 48% of these contributions going towards funds with a development focus. Funding of development-related inter-agency pooled funds has nearly tripled since 2016. In data collected in 2019, funding of UN development-related activities represents 9% of all non-core contributions, close to the 10% target. Recent inter-agency efforts on the pooled fund quality features are seen also as a key factor of success.

Pooled funds and the UN Cooperation Framework

The Development Coordination Office (DCO) highlighted the importance of inter-agency pooled funding mechanisms to support UN joint action on the ground, with an increased interest by UN

Country Teams in SDG county-level pooled funds. According to a recent mapping by DCO and complemented with MPTF Office data, there are over 50 countries that have a fund established or are looking into establishing one. 21 countries and regional funds were already capitalized in 2020. New funds were established or redesigned in 2020 in Cabo Verde, Lebanon, Uganda and a regional instrument for the Pacific region. For now, however, only 12 countries have achieved capitalization beyond US\$ 5 million per year. Overall, there is still room to grow, both in volume and capitalization, to achieve the full potential these instruments can deliver to finance joint SDG action by the UN system. It was also stressed that beyond volume and capitalization, it is very important that country-level pooled funds apply the common management features required by the Funding Compact.

Implementation of the Funding Compact commitment 14

Commitment 14 describes the quality features expected from all pooled funds. The Chair of the UN Fiduciary Management Oversight Group (FMOG) described recent progress made. The FMOG has scheduled several learning opportunities for FMOG members this year and has undertaken its first training of trainers on inter-agency pooled funding, including a focus on pooled fund common management features. The FMOG is also supporting the development and implementation of the QCPR monitoring framework in its aspects related to UN joint funding, pooled funds and fiduciary management. The FMOG Chair announced that a FMOG sub-group is currently focused on deepening the common understanding and definitions of the Funding Compact Common Management Features as captured in the QCPR framework. Part of this work will consist in establishing methodologies to collect data and information across the UNSDG regarding the features. This will enable the formulation of common definitions and baselines on these important quality features, and to be increasingly empowered with evidence to inform QCPR monitoring. Several partners requested a meeting to be organized with interested Member States to discuss this process. UN Women also highlighted the importance of applying the gender markers and shared some progress recently done in this regard, for example, within the COVID-19 MPTF.

Pooled funding and climate finance

Just days after COP16 in Glasgow, during this edition of the Stakeholder Forum the MPTF Office presented a [brief on inter-agency pooled funds and climate finance](#), with an overview of its climate change and environment portfolio, providing examples that respond to questions of how pooled funding contributes to the overall climate financing ecosystem. Several climate funds and initiatives referenced, such as the [Central African Forest Initiative \(CAFI\)](#), the [Global Fund for Coral Reefs](#) and the [Mali Climate Fund](#) are examples of this work.

The experiences point to the fact that climate resources provided by MPTFs are often used in high-risk contexts since pooled financing allows for de-risking. Pooling resources through the UN spreads risks wider so that many partners can collectively invest in high-risk solutions and link climate finance with global sustainable development goals and agendas. It also shows that pooled financing is being strategically used for sequencing available and often disconnected financing for climate initiatives.

The MPTFO also shared some updates and recent announcements, including a landmark US\$ 500 M agreement to protect the forest of the Democratic Republic of Congo; the meeting of the Global Fund for Coral Reefs Coalition, with new funding commitments, and the new Systematic Observations Financing Facility (SOFF) MPTF created by WMO, UNDP and UNEP. The speakers also described how pooled funds are being instrumental to articulate and sequence funding from different climate, peace and development initiatives in a way that is mutually reinforcing.

Release of Partners Gateway beta version

The MPTF Office introduced the new Partners Gateway, its trust fund management and information platform, showing off new functionalities that have been developed to address partners needs in data presentation, visibility and access to results, among others. The beta version (<https://beta.mptf.undp.org/>) is now ready for testing by partners. As a beta version, it is being used for final refinements, detect potential areas of improvements and address any technical faults - before the official launch and complete transition in 2022 from the current platform. The current MPTF Office Gateway remains the to-go place for accurate financial data until transition is completed. The new Partners Gateway has been designed with a triple goal: to provide access to financial data and analysis with the highest transparency levels; promote the multi-stakeholder partnerships behind the MPTFs; and facilitate access to the results and knowledge generated by pooled funds.

Some of the showcased functionalities include: new tools to explore the full portfolio (by theme and geographical scope,); information on funds in the pipeline; upfront visibility of results; the option of accessing information on financial flows both at the aggregated level by Member State, and disaggregated by contributing entity (I.e. ministries, development cooperation agencies, other) from one Member State. It was also highlighted how a new section on pooled funding provides additional resources for partners (key definitions, starter kit, funding opportunities.). The new Gateway is a key instrument for MPTFO to ensure the implementation of the Funding Compact Commitment 14 common management features.

Partners were invited to nominate focal points for further testing so the Gateway team can follow-up.

Recording of the 2021 meeting is available at: <https://youtu.be/fyuvld8h8Mg>.

¹ This document presents a brief summary of key topics discussed during the third multi-stakeholder discussion forum on UN pooled funds organized by the Multi Partner Trust Fund Office. The forum was established per

recommendation of the independent evaluation of [UNDP inter-agency pooled financing services](#) (September, 2018). This summary has been prepared to support future discussions and address questions and suggestions raised during the forum. The document is for information purposes only and by no means represents the views of the UN, its Member States or its entities.

MULTI-PARTNER TRUST FUND OFFICE

Efficiency. Accountability. Innovation.

United Nations Development Programme, Bureau for Management Services, 304 East 45th Street, 11th Floor,
New York, NY 10017, USA Tel: +1 212 906 6355, Fax: +1 212 906 6990, Email:
executivecoordinator.mptfo@undp.org, URL: mptf.undp.org