



DEVELOPMENT EMERGENCY MODALITY

Joint Programme 2022 Annual Progress Report

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Cover Page

UNCT/MCO: Bangladesh

Reporting Period: 1 January - 31 December 2022

JP title: Assessing and Strengthening Food Security Mechanisms in Bangladesh

Thematic SDG Areas: Climate action & energy transformation;

PUNOS:FAO, WFP

Stakeholder partner: National Government;Civil Society Organizations;IFIs/DFIs;Private sector;Bilateral aid organizations;

Gender Marker: Gender-sensitive (for example, the JP acknowledged and aimed to address gender to enhance the policy/programme, such as undertaking gender analysis to ensure policies/programmes do no harm)

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Annual Progress

Overall JP self-assessment of 2022 progress:

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

Overall Progress

The project has accomplished some key milestones ever since its inception and tested some new ideas to facilitate financing for SDGs. Some notable achievements include:

Development Finance Assessment and Financing Strategy Updated: Revision of the development finance assessment and the financing strategy have been completed in the context of the 8th Five-Year Plan, impact of Covid-19 and LDC graduation. The updated development finance assessment delineates the challenges of mobilizing public and private finances towards SDGs. It also suggests an action plan for mobilizing domestic resources. In addition, the cost of achieving the SDGs has been re-calculated, and it is around USD 1.1 trillion. The strategy also focuses on the resource gap, new investment requirement, and proposes ways to bridge the gap. Financing Roadmaps have been formulated for three SDGs detailing gender sensitive reform strategies to expedite the resource mobilization efforts of SDGs 6, 7 and 13. During the finalization, a workshop was organized with all stakeholders including government, private sector, and development partners, to present the key findings of the development finance assessment and the financing strategy along with the financing roadmaps. The project task team will submit all the strategy papers to the SDG Financing Oversight & Coordination Committee for validation.

INFF integrated in the 8th Five-Year Plan: Given the importance of channeling finance from both public and private sectors for implementation of SDGs, Government of Bangladesh has integrated operationalization of INFF in the 8th FYP after several rounds of discussion with the project team and UN agencies.

SDG aligned Investment Opportunity Areas Identified: Bangladesh Investor Map has been completed with technical support from SDG Impact Team to identify the SDG aligned investment opportunity areas. The map identified 17 areas across 8 sectors, including

e-commerce, Education, Financials, Food & Beverage, Healthcare, Infrastructure, Renewable Resources & Alternative Energy, and Technology & Communications. Each sector, sub-sector and area in the map was finalized based on consultations with relevant stakeholders in the investment ecosystem including regulators, investors, and ecosystem builders. This was part of creating pipeline of bankable projects under the joint programme.

Beta Testing of Digital Trade Platform to mobilize the private investment: A Digital Trade Platform - online-based marketplace for investors - having quality pipeline bankable projects has been piloted to boost up private investment in SDG aligned projects. The virtual platform includes basic project information, financial information, impact information, history of project ownership and projected opportunity of scaling-up, and the capital needed to support each project phase. Thus, it is expected to enable investors to search for information based on their own investment strategy, type of capital, history/previous ownership of the project, impact areas, etc. This platform is expected to facilitate the opportunities of blended finance.

Multi-stakeholder SDG Financing Coordination Platform Established: A government-led SDG Financing Oversight and Coordination Sub-Committee was approved under the SDG Implementation and Review committee. The subcommittee will include the Ministry of Finance, National Board of Revenue, the Prime Minister's Office, the Ministry of Planning, Ministry of Commerce, Ministry of Foreign Affairs, business chambers, and the UN. This platform will oversee the operationalization of INFF, implementation of innovative financing tools, execution of policy reforms, and policy and data support.

Overall, the joint programme has delivered most of its planned objectives. However, the task of mobilizing adequate finance for achieving the SDGs remains. To enable an integrated approach to mobilizing SDG finance, the INFF work streams have been included in the newly signed UNSDCF

SDG Acceleration progress towards the SDGs, focusing on the main SDG targets

The joint programme specifically contributed to three SDGs as envisaged in the plan:

- SDG6 (Water and Sanitation): A detailed financing roadmap to achieve the targets of SDG6 has been drafted in consultation with all relevant stakeholders under the leadership of the coordinating ministry. The roadmap also includes breakdown of financing sources and possible pipeline of bankable projects.
- SDG7 (Renewable Energy): A detailed financing roadmap to achieve the targets of SDG7 has been drafted in consultation with all relevant stakeholders under the leadership of the coordinating ministry. The roadmap also includes breakdown of financing sources and possible pipeline of bankable projects.
- SDG13 (Climate Action): A detailed financing roadmap to achieve the targets of SDG13 has been drafted in consultation with all relevant stakeholders under the leadership of the coordinating ministry. The roadmap also includes breakdown of financing sources and possible pipeline of bankable projects.

Constraints that were encountered and any adjustments that were made to strengthen the relevance and effectiveness of the JP and the coherence and coordination of UN system support.

Key challenges and adjustments made during the implementation of the JP:

- a. Change in Government Priority due to Covid-19: Bangladesh had been facing the surge of Covid-19 during 2020 and 2021 and thus, government entities being overstretched to address the pandemic and delays in the ability to timely build consensus on other matters. By holding online meetings and consultations, the project team tried to minimize the adverse effects on the pandemic on project delivery.
- b. INFF4SDGs Project Document Signing: The project document signing from the government was delayed due to prolong discussion in between Economic Relations Division and Finance Division in deciding the appropriate government counterpart. The Project Manager was in constant touch with government with support from UNDP Country Office. Finally, Economic Relations Division signed the Project Document and assigned the INFF4SDGs Focal point on May 31, 2021.
- c. Impact of Covid-19: Updating process of development finance assessment and the financing strategy; and mapping of SDG investors had been affected by Covid -19 during 2021. To adhere to agreed timeline, the consultations had been conducted online. Deliverables due date of the development finance assessment & the financing strategy and investor mapping experts were extended after consulting with INFF Task Team. Action Plan was developed as well to track the progress of DFA and FS. COVID-19 pandemic also resulted in two strict lockdowns in Bangladesh- firstly, in 2020 (March-May) and then a couple of months (July - August) in 2021 followed by restriction of movements and limited in-person meeting option. Due to the COVID-19 pandemic, the government prioritized emergency response more than anything and the approval of the oversight mechanism got delayed by more than eight months. Finally, the oversight committee has been approved on paper by the government but is yet to be

operationalized.

d. Realign the ToR of SDG Financing Oversight and Coordination Committee: SDG Financing Oversight and Coordination sub-committee was approved in the 2021. However, recently ERD during the INFF4SDGs Progress Review Meeting on June 16, 2022, raised the need of further revision of the ToR.

e. Delay in access to data for Economic Modelling: Economic Modelling to determine the financing requirement depends on the appropriate methodology selection and data collection. Data applied in the cost estimation in the SDG Financing Strategy had been collected from General Economics Division and then made available to them for validation.

f. Delay in on-boarding project team: Recruitment of INFF project team was delayed due to Covid-19 interventions which affected timely implementation of project activities and delivery of project results. However, the project team (Project Manager and Programme Associate) on-boarded during the first quarter of 2021.

The key lessons are as follows:

a. Resources mobilization to be strengthened and coordinated. INFF technically supports government and private sectors for mobilizing resources for achieving SDGs by 2030. Though INFF4SDGs continued for 2 years, this effort needs to be carry forwarded to implement innovative financing instruments and policy reforms suggested in revised DFA Roadmap.

b. More robust communication, knowledge management and result reporting would be important to enhance the project's visibility to the stakeholders including government and private sector.

Next steps, scaling and sustainability [up to half a page]

INFF4SDGs project was implemented in Bangladesh for 2.5 years (2020-22) with the objective to mobilize additional resources for achieving SDGs by 2030. The project commissioned research and diagnostics and recommended action plan for development finance assessment implementation. Alongside, the project conducted Bangladesh investor mapping and beta-tested Digital Trade platform for channelling resources for SDG aligned investment. The following sustainability strategy has been initiated to carry forward the INFF initiatives beyond 2022.

- Government committed to INFF implementation through 8FYP and thereby mobilize resources from public and private sector for SDG aligned investment. Moreover, Economic Relations Division called on a meeting to review the progress of INFF4SDGs on June 16, 2022, with participation from relevant ministries. In the meeting, ERD emphasized the continuation of INFF initiative beyond 2022 agreed to operationalize the SDG Financing oversight and coordination sub-committee.
- SDG Financing Oversight and Coordination Committee led by Economic relations division in Ministry of Finance is still to be operationalized. Considering the breadth of the terms of reference of the oversight mechanism, the UNRC is leading the negotiation with Principal Secretary to review the structure, which is expected to support operationalization of the subcommittee.
- ERD and UNRC jointly with support from partner UN agencies will organize a National Workshop to share the project results and achievement of INFF4SDGS with relent stakeholders and take insights from them as well to future strategy of INFF implementation.
- UNCT has been briefed and engaged to set the direction of INFF work beyond 2022. As first Step, UNCT agreed to organize Internal Workshop to gather the inputs and way forwards to integrate INFF across the UN. The UNCT will meet in first quarter of 2023 and guide the preparation next level of engagement.
- Partner UN agencies already drafted the joint concept note and shared with RC and UNDP resident representative (INFF Technical Lead). The concept note will be presented in UN country team meeting to take a decision on future resource mobilization strategy.
- UNDP prepared concept to expedite the Digital Investment Platform and submitted to INFF Facility for funding. Besides, UNDP is communicating with institutional donors to explore the resource mobilization opportunity.
- UNDP country office will continue implementation of INFF through DFA and FS Roadmap and other private sector initiatives. It is to note that, previously the SC4SDGs and a2i projects of UNDP contributed in INFF4SDGs joint programme – particularly in formulating roadmaps of SDG 6, 13, and beta-testing of Digital Trade platform. This best practice of synergy can be replicated with other UNDP projects gradually to make sure development finance assessment and financing strategy Actions Plans are implemented collaboratively.

Strategic Partnerships and Communications

Explain how diverse stakeholders were engaged with the JP

From inception till completion of all the assessments, diagnostics, and strategies; all relevant stakeholders including the IFIs (World Bank, ADB, IMF, ISDB), bilateral development organizations (EU, FCDO, IFC), civil society organizations, and private sector including chambers and associations (FBCCI, BGMEA) were consulted and regularly updated on the progress through various events, bilateral meetings and sharing of documents. Renewable energy baseline assessment with H&M and PUMA targeting partnership with BGMEA and SREDA and Power Division. The partnership with H&M and PUMA started conducting a renewable energy baseline assessment to identify policy reforms and a 2-year action plan for UNFCCC Brands to support renewable energy transition in RMG supply chain. Also, engagement with Bangladesh Garments Manufacturers and Exporters Association (BGMEA) to measure the contribution of private sectors in achieving SDGs. INFF4SDGs supported the engagement of UNDP with BGMEA and Global Reporting Initiative (GRI) to measure and manage the Ready-Made Garment (RMG) industry's impact on SDGs, its achievements, challenges, and gaps and speed up connecting private sector's contribution to SDG financing in Bangladesh. The sustainability reporting initiative consolidated industry data in a RMG report titled 'Pathway to Manage Private Sector on Bangladesh National Priority Indicators and Sustainable Development Goals' BGMEA and UNDP in association with Principal Coordinator-SDG Affairs of Prime Minister's Office and GRI jointly launched the abovementioned RMG Sector Sustainability Report and handed over the Certificate of Appreciation to the 47 participating RMG factories. The Bangladesh SDG Financing Oversight and Coordination Sub-Committee has been formed with representatives from General Economics Division (GED), Finance Division, National Board of Revenue, Ministry of Foreign Affairs, Ministry of Commerce, Prime Minister's Office, private sector and UNRCO. SDG Financing Oversight and Coordination subcommittee is formed under Inter Ministerial SDG Implementation and Review Committee. The Sub Committee is chaired by Ministry of Finance which will also serve as the secretariat

Key meetings and events organized

JP steering committee/ programme board meeting	Strategic partners/ donors	Kick-off meeting event
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Priority Cross-cutting Issues

Cross-cutting results/issues

Gender

The JP improves gender equality and women empowerment by taking the following measures:

- Context analysis integrated gender analysis during project design
- Gender Equality mainstreamed in output level
- Indicators measured changes in the perspective of gender equality
- PUNOs collaborate and engaged with the government in the areas of gender equality and women empowerment
- PUNO collaborated and engaged with women led CSOs
- Program proposed a gender-responsive budget
- JP featured gender results at the outcome level

In addition, the Gender Marker had been applied during the project design and thus project's output was gender sensitive. Gender Equality perspective was considered during the revision of the development finance assessment and financing strategy, and formulation of SDG 6 (Water and Sanitation), 7 (Renewable Energy) and 13 (Climate Action) financing roadmaps. This initiative was highlighted in a blog titled "International Women's Day 2022: How does the World Finance Gender Equality?" posted on the INFF Platform. Also, the investor mapping experts were trained on 'Gender and Marginalization' to collect disaggregated data and integrate this perspective accordingly into each identified IOAs.

Leave No One Behind

The updated development finance assessment and SDG Financing Strategy carefully considered the relevant cross-cutting issues: LDC Graduation, Leaving No One Behind (LNOB), Inclusion, Private Sector and Gender Equality in partnership with relevant public sector, private sector, civil society, and DPs. SDG 6, 7 and 13 Financing Strategies and Investor Mapping completed aligning with the above-mentioned cross cutting issues.

Social and Environmental Considerations

INFF Project Management Team took action to address the Social and Environmental issues by identifying risks, impact and

management measures and duly filled up the Social and Environmental Safeguard Report. This report found 'Low' category risks associated with INFF4SDGs project.

Besides, JP conducted do-no-harm / due diligence and was designed considering the opportunities in the areas of the environment and climate change. Bangladesh's climate vulnerability is another issue of concern, which requires that the country can mobilize climate finance at scale from both multilateral (IFIs, UN system organizations, GCF, GEF, UNEP and others), bilateral development partners and from the private capital markets (e.g., green/climate bonds). Currently just about 40% of investment address climate concerns are met by the GOB and development partners (DPs). While programmes in the areas of ecosystem management, sustainable infrastructure and mitigation are relatively well funded, efforts aimed at pollution control, urban congestion, waste management, environmental governance and gender equity remain relatively under-funded. Renewable energy use and water and sanitation and electricity coverages are not on target and private sector investment is lacking due to absence of feasible and bankable projects and business models despite it could represent a huge investment opportunity. Considering Bangladesh's climate vulnerability, the JP components were implemented keeping in mind climate finance, especially for those currently unfunded areas such as pollution control, urban congestion, waste management, environmental governance, renewable energy use, water and sanitation and electricity coverage.

The INFF, which includes a special focus on SDGs on water and sanitation and renewable energy and climate change, try to focus, among others, on both policy issues and institutional barriers that prevent enhanced mobilization of domestic public resources; support dialogue with the private sector on barriers and opportunities for sustainable business and investment as well as strengthen public sector readiness to engage investors through improved outsourcing and procurement processes, investor mapping, identification of investible and bankable projects and assessm

How did the JP apply the Gender Marker

The JP is Gender-sensitive (for example, the JP acknowledged and aimed to address gender to enhance the policy/programme, such as undertaking gender analysis to ensure policies/programmes do no harm). Policy dialogues, advocacy (e.g. direct inputs to national policies, strategies, laws, including women's and girls' rights groups in coordination mechanisms);Generated gender sensitive assessment and strategy;

JP address the below cross-cutting issues and principles of leaving no one behind

Human Rights	Persons with disabilities	Youth	Environmental and social standards
No	No	No	Yes

Contribution to enhancing SDG Financing

Drafted a bill, strategy, and/or approved a law increasing the fiscal space for the policy in focus	Produced financing, costing, diagnostic and feasibility analyses as a basis to invest or increase spending on the SDGs	Improved efficiency (cost savings) in the management of programmes/schemes	Improved effectiveness (value for money; i.e. social impact of \$1 spent) of spending	Drafted policies/regulatory frameworks or developed tools to incentivize private sector investment on the SDGs	Structured new financial instruments (public, private or blended) to leverage additional funding
No	Yes	No	No	No	No

How and in which area your JP contributed to enhancing SDG financing

Formulated a development finance assessment and financing strategy. Prepared financing roadmaps for three SDGs.