



# Joint Programme 2022 Annual Progress Report

SDG Financing Portfolio - Component 1

## Cover page

**UNCT/MCO:** Namibia

**Reporting Period:** 1 January - 31 December 2022

**JP title:** Strengthening Namibia's Financing Architecture for Enhanced Quality & Scale of Financing for SDGs

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

**Thematic SDG Areas:** Food systems transformation; Digital transformation; Transforming education; SDG localization;

**PUNOs:** UNDP, UNICEF, UNFPA, ILO

**Top-up received as part of DEM:** Yes

**Total estimated expenditures:** US\$ \$ 718,876.4

**Total estimated commitments (including expenditures):** US\$ \$ 710,694.1

**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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## Executive Summary

Significant progress was made in 2022, towards the achievement of the JP outcome of establishing an Integrated National Financing Framework (INFF) and related interventions for enhanced quality and scale of financing SDGs in Namibia. Notable progress across the three (3) output areas include the following milestones:

I. Progress on the gender responsive Integrated National Financing Strategic (INFS), which saw the production and approval of the INFS inception report, with the final strategy expected by end March 2023. As inputs into the INFS, the UN collaborated with the IMF in costing SDG financing requirements in Education, Health, WASH and Electricity and road infrastructure. Other important studies were undertaken their findings and recommendations will inform the INFS. Some of these include the SDG Investor Map, Digital Finance Ecosystem Assessment and Strategy, and the Illicit Financial Flows (IFFs) study, all of which were successfully completed with support under the SDG Fund Joint Programme.

## II. Strengthening Vulnerability Analysis and Mapping (VAM) and Early Warning Systems (EWS).

Consensus was built with the Government on the approach and strategy to digitalize and integrate VAM and EWS and the team has embarked on consultations to develop the integration roadmap. The integrated EWS platform shall be developed in February and deployed in March 2023.

### Enhancing productive capacity and sustainable market access for smallholder farmers (SHF)

Jointly with the Government, the UN system identified and registered smallholder farmers for Agri-input subsidy using a digital platform. The rains started late, but the intervention is on track and currently disbursing ploughing services, seeds, and fertilizers to the registered beneficiary SHF. Effort is being made to build the capacity of SHF to diversify crop production for food and nutrition security and linking them to schools as markets through Home-Grown School Feeding, currently scaling up to all Regions following a successful pilot in seven regions. In all activities, an integrated M&E plan has been developed.

III. Development of frameworks and action plans towards ensuring that Namibia has a more transparent, gender-responsive and SDG aligned national budget. Key results under this output include the development and finalisation of the Gender Responsive Planning and Budgeting Curriculum, which was used to conduct training for 76 participants, principally Members of Parliament and staff from line Ministries and civil society organizations in February 2022. This training included pro-employment budgeting sessions. In addition, the UN supported the government to develop an action plan to improve budget transparency, following the release of the 2021 Open Budget Survey (OBS), which shows that Namibia's transparency score had dropped from 51% to 42%, albeit mainly on account of the impact of COVID-19 pandemic. More so, the UN completed detailed sectoral budget analysis (including analysis on the 2022/23 national budget and key sectors such as Education, Health and Social Protection) for the same budget period to inform further reforms aimed at strengthening the overall financing architecture in Namibia. This will be complemented by the detailed SDG Audit of the national budget, which commenced during the last quarter of 2022 (inception report was produced in December 2022). Evidence from the analytical pieces will inform the INFS, overall, the INFF, and capacity needs of the government to strengthen budget transparency and alignment with SDGs for gender sensitive impacts.

## Annual Progress

### Overall JP self-assessment of 2022 progress:

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

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

During the period under review, the UN system's strategic focus was to support the Government of Namibia to strengthen its financing architecture through the development of an Integrated National Financing Framework (INFF). This effort is in line with the development goal of the government to develop a sustainable financing framework that will enable it to finance its national development priorities, ultimately the realization of most of the SDGs by 2030.

Further, as part of effort to advocate and promote budget transparency, participation, and openness, the UN system supported various initiatives such as national and sectoral (education, health, and social protection) budget analyses for the 2022/23 fiscal year. This effort is being complemented with the ongoing work of the SDG Audit of the national budget to advocate for the national budget being aligned to the implementation and realization of the SDGs 2030. Over 70 Members of Parliament, civil society organizations, and technical officers from key sector ministries were trained on gender and employment responsive budgeting processes. Such capacity is expected to assist Members of Parliament to perform their oversight functions over the national budget and effective allocation and utilization of funds to key sectors of the economy.

### Agricultural Input Subsidy

A part of WFP Namibia's efforts towards contributing to national food and nutrition security under the JP, effort is being made to enhance and strengthen rural livelihoods and sustainable food systems. This is being achieved by partnering with the Ministry of Agriculture, Water and Land Reform (MAWLR) in providing agricultural inputs and subsidies to smallholder farmers (SHF) in the Kunene Region as part of the Ministry's Dry Land Crop Production (DCPP) Programme. For the registration of SHF, the Country Office partnered with the private sector (MTC), which created an avenue for innovative and digital transformation. Further, to promote market access, the programme also included SHF benefiting from WFP's Home-Grown School feeding Programme (HGSFP). It is worth noting that this timely intervention made it possible to complement other food assistance interventions and address the humanitarian and development nexus. The next phase is to roll out training for SHF in the production of diverse crops and conduct monitoring and evaluation initiatives.

### Strengthening VAM & EWS

Progress to date has been:

- Ø The mobilisation of government partners towards identifying and assessing current data sources and systems; and
- Ø Beginning the development of an integrated roadmap towards the development of an early warning system platform in Namibia.

WFP successfully completed the convening and coordination of the Integrated Data and Information Systems for Food and Nutrition Security Policy Working Group (IDISFNS-WG). Engagement with this working group has resulted in the development of an agreed upon approach for integrating existing systems and a strategy for the identification and aggregation of key food security and nutrition data, which will form the evidence base for the EWS platform.

Part of this approach is the assessment of current government systems, and identification of what data exist, in what format, accessibility and data-sharing concerns, and possible data gaps. This process is underway with key government partners and custodians of existing systems and data. The outputs of this process of assessment and identification of applicable data will be:

- Ø an "integration roadmap; and,
- Ø a database of aggregated raw data from government partners.

The roadmap will be used by an external consultant to develop the EWS platform. The consultant has already been identified.

### **Main Challenges, adjustments and lessons:**

Ø No meetings of the Steering Committee have been convened since the operationalization of the Joint Programme. However, efforts are being made by the UNCT through engagement and advocacy to have regular meetings of the high-level Steering Committee that should be chaired by the Minister of Finance and the Resident Coordinator. A Technical Committee is leading implementation of all interventions under the Joint Programme, thus helping to maintain high level engagement to facilitate the leadership and ownership of the government for the JP.

Ø Delayed development of the INFF, especially the articulation of the INFS. Being a pioneering work in terms of articulating the INFF, it has been difficult to recruit the right experts to develop and work on its various components. It took some time to recruit an experienced and qualified firm to carry out the process, which is now ongoing.

Ø Key lesson learnt is that government ownership and leadership remain important towards the success of the Joint Programme and the implementation of the tools/frameworks developed. Beyond the current period of the JP (to March 2023), continued support would be needed to strengthen the capacity of government towards implementation.

∅ Another important lesson learnt is that a reform of this magnitude requires sufficient time to get buy-in, define the scope and develop tools, implement, and evaluate. A 2-year timeline is turning out to be rather short.

∅ Agricultural Input Subsidy: The delayed rainfall patterns reduced the implementation of the roll out of the agricultural input programme.

∅ Strengthening VAM & EWS: Interruptions in ongoing work because of the Christmas and New Year holidays, as many staff in the government and UN took extended personal time off to be with their families during this time.

## SDG Acceleration

Through evidence generation from budget analysis, the JP provided inputs to the financing options for the National Education Conference and the government’s position paper at the Transforming Education Summit. Further support is being provided to the government to operationalize its financing commitments towards the achievement of SDG 4.

A budget analysis is underway to track the gender responsiveness of the national budget and parallel to that, the budgeting toolkit will be underpinned by gender equality principles. The toolkit is aimed at enhancing the mainstreaming of employment and gender equality objectives in national planning, budget programming, and monitoring and evaluation. Through this, it will promote the reinforcement of financial means for implementing national employment policies by all actors concerned, including key productive ministries, and for making gender and employment key objectives of budget programming in the required sector ministries.

### Agricultural Input Subsidy

∅ SDG 1 (No Poverty): The support towards the Agricultural input subsidy programme aimed to reduce poverty and promote rural transformation.

∅ SDG 2 (Zero Hunger): Through the provision of agricultural inputs, the SHFs were capacitated to produce crops such as maize, and feed their families and communities, in turn reducing household food and nutrition insecurity.

∅ SDG 5 (Gender Equality): Majority of the targeted SHFs that benefitted from this intervention were women.

∅ SDG 17 (Partnerships): The UN system partnered with MTC and the Ministry of Agriculture, Water and Land Reform to implement this intervention.

### Strengthening VAM & EWS

∅ SDG 1: No Poverty – Strengthening VAM & EWS enabled the building of resilient communities by providing them with key and usable information on climate and/or food systems related shocks and informing anticipatory action. This allowed communities to better withstand and bounce-back from these shocks, thus improving the sustainability and resilience of livelihood activities.

∅ SDG 2. Zero Hunger: Strengthening VAM & EWS ensured critical intelligence is available in good time for

∅ The JP invested (\$27,000) and technically supported the Ministry of Agriculture Water and Land Reform in generating evidence through the development of a business case that will support advocacy efforts to transition and scale the use electronic voucher system(s) in the distribution of humanitarian relief and SME development grants.

∅ To support efforts towards resilience building, the JP financially and technically capacitated 24 agricultural scientists through a TOT in Resilience Farmers field methodology. The scientists were empowered to support communities on aspects of nutrition, environment, economic and social cohesion practices, as well as facilitating farmers field school in eight regions, applying delivery of methods to small holder farming communities that are farming in crops and livestock.

## Updates on SDG financing framework

	Assessment Diagnostics	Monitoring	Governance
Inception phase	Financing Strategy	Review	Coordination

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Completed (100%)	Completed (100%)	Emerging (1-49%)	Emerging (1-49%)	Emerging (1-49%)
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## Descriptions on progress by INFF building blocks

**Inception Phase:** This is one of the first interventions that was finalized in 2019, when the development finance assessment was undertaken and the INFF Roadmap produced and revised in 2021. The Roadmap is one of the interventions informing the development of related components of the INFF including the Integrated National Financing Strategy, as well as the monitoring and review component and governance and coordination structure.

**Assessment & Diagnostics:** This Roadmap is being used and is complemented with other assessments such as the market intelligence that led to the production of the SDG Investor Map and the Digital Finance Ecosystem Assessment and Strategy, as well as the SDG costing exercise that was supported by the International Monetary Fund with technical inputs from the UN system.

**Financing Strategy:** So far, only the inception report for the financing strategy has been produced, which was reviewed and approved by the members of the Technical Committee chaired by the Ministry of Finance and co-chaired by the National Planning Commission. The first draft of the financing strategy is being worked on and it is too early to provide a comprehensive description of key elements that will be included in the strategy.

**Monitoring & Review:** This is still work in progress, as it will be developed within the financing strategy. Therefore, at this stage, we can consider it to be not applicable. However, once the first draft of the financing strategy is shared, it will have details of how the monitoring and review component will look like.

**Governance & Coordination:** This is still work in progress, as it will be developed within the financing strategy. Therefore, at this stage, we can consider it to be not applicable. However, once the first draft of the financing strategy is shared, it will have details of how the governance and coordination structure will look like.

## Annual Reporting on Results

### JP contributions to the Joint SDG Fund's global cost of living crisis

Given that many of the key interventions on the INFF process are still ongoing, it is very early to know at this point in time what is being requested. However, upon finalization of the Financing Strategy along with the governance and coordination structure and the monitoring and review component, it is expected to respond adequately to the financing needs of the Government of Namibia to support the national priorities and realisation of most lagging SDGs. As such, effort will be made to support the implementation action plan that is part of the design process of the assignment in collaboration with other development partners. For purposes of ensuring sustainability of key actions that will be defined in the Financing Strategy, the UN system will continue to encourage the government to lead and coordinate the implementation of all interventions defined.

### Next steps, scaling and sustainability [400 words]

Ø To ensure sustainability of the tools developed under the JP, concerted efforts have been made to (i) work closely with and through government institutions, whilst capacity building activities have been identified and are being implemented to ensure sustained technical capacity of the government to implement the interventions that will emerge from the Joint Programme. For instance, the study on IFFs was done by the government, under the leadership of the BoN. A government team was trained in the different approaches, which they successfully employed in the analysis. Through the support of the JP, an IFFs Unit is being established in the BoN, to lead the coordination and implementation of recommendations from the analysis going forward.

#### Agricultural Input Subsidy

Ø The next steps of the subsidy programme are to roll out the programme and pilot in Kunene Region, benefitting 280 vulnerable SHF. Upon the implementation of this phase, monitoring and evaluation assessments will be conducted to measure and demonstrate the impact of the JP.

#### Strengthening VAM & EWS

Ø Once data and systems assessments have been completed for all relevant partners, the data will be consolidated, data sharing agreements will be finalised, and the integrated roadmap will be completed. Thereafter, the consultant will be further briefed, and the platform developed

## Priority Cross-cutting Issues

### Cross-cutting results/issues

One key strategic priority of the Joint Programme has been to make sure that all interventions being developed under the Joint Programme mainstream gender, women empowerment, and human rights in all the interventions being supported. This has been the case with the digital finance ecosystem and strategy, the gender and employment budgeting analysis work, the national and sectoral budget analyses, the SDG Audit, and the INFS whose development is now underway.

Further, the JP included advocacy and technical support to ensure the consideration of gender equality and women's empowerment as an SDG accelerator, particularly within the national budget. A gender financing lens, which will provide a more detailed analysis of financing flows, will be incorporated in the financing strategy. This is with the aim to identify possible financing policies and instruments to mobilize and align finance for gender equality as related to the identified accelerators. It will also endeavor to identify which financing flows could be better targeted to address gender equality challenges within these areas and provide further gender analysis of both private and public financial flows and promote effective development cooperation.

#### Agricultural Input Subsidy

The JP addressed cross-cutting issues such as gender equality and women empowerment, which ensured that the principle of leaving no one behind was embedded throughout the implementation of this intervention. To appreciate SDG 5 (Gender Equality), the targeted number of SHF that benefited from the agri-subsidy programme exceeded 50%. In the spirit of leaving no one behind, the UN system's support towards the subsidy programme primarily focused on vulnerable communities that were unable to afford agricultural inputs for their crop production.

### 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);

### Focus on LNOB cross cutting principles

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

## Strategic Partnerships, Documents and Communications

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

During the articulation of the Development Finance Assessment, strategic partnership and collaboration was forged with the GIZ in Namibia. Under the leadership of the Resident Coordinator, UNDP, the GIZ and the Office of Resident Coordinator provided technical guidance in the design and drafting of the DFA. Partnership was also forged on the conceptualization of the Integrated National Financing Dashboard with the UN system in Namibia under the technical leadership of UNDP Namibia in collaboration with GIZ in Namibia, BIZ in Bonn and UNDP Finance Hub in South Africa.

#### Agri-subsidy

- Enhanced existing collaboration with MAWLR
- Partner to support...

#### Strengthening VAM & EWS

- Talks of OPM-DDRM potentially investing further (not yet materialized)
- Facilitating intergovernmental partnerships and data sharing

### Donor and Strategic events attended by JP in 2022

JP steering committee/ programme board meeting	Strategic partners/ donors event	Closing meeting/ event
No	Yes	No

### JP contribution to SDG Financing

Drafted a bill, strategy, and/or approved a law increasing the fiscal space for the policy 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 of (value for money; social impact of \$1 spent) sector investment on the SDGs	Drafted policies/regulatory frameworks or developed tools to leverage private additional funding	Structured financial instruments (public, private or blended) to leverage additional funding	new instruments or private additional funding
No	Yes	No	No	Yes	No	

### Main capacity building activities supported by the JP that allowed people to expand their knowledge on SDG Financing and INFFs

- Training of MPs on SDG Financing, Budget Transparency and Oversight.