



Joint Programme 2022 Annual Progress Report

SDG Financing Portfolio - Component 1

Cover page

UNCT/MCO: Suriname

Reporting Period: 1 January - 31 December 2022

JP title: Roadmap for a Sustainable Financial System for Suriname

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

Thematic SDG Areas: Climate action & energy transformation; Gender;

PUNOs: UNEP, UNDP

Top- up received as part of DEM: No

Total estimated expenditures: US\$ \$ 440,060.0

Total estimated commitments (including expenditures): US\$ \$ 542,143.9

Gender Marker: Gender-responsive (for example, the JP aimed to respond to specific gender needs, such as linking social assistance with GBV response services or maternal health support)

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Executive Summary

The Joint Programme's three (3) major results include:

1. The Government of Suriname (GoS) through the Ministry of Spatial Planning and Environment (ROM) strengthened its national ownership and leadership of the development of the National Climate Agreement (which is the effective retitling of the original JP output from "Green Agreement"). After supporting the GoS in establishing its climate priority, a "Kick-off Meeting" took place that engaged stakeholders in the completion of the NCA which continues into 2023. The Kick-Off meeting was opened by the President of Suriname, included other Government Ministers, with good representation from multi-stakeholders. Government established three advisory, technical and national committees with feedback loops to the Cabinet and ROM, to engage with stakeholders, and ensure inclusion and transparency of the national process. Government will continue development of the NCA with the support of the Inter-American Development Bank (IDB) after the JP concludes in March 2023. The IDB solidified its collaboration with the UN in 2022 and has emerged as an important partner.

2. The GoS' commitment to inclusive development is demonstrated in its decision to update the National Gender

Policy with an addendum that closes existing gaps on gender and women's empowerment. IDB will also include the JP's recommendations and gender considerations in its briefing documents during the ongoing national NCA consultations in 2023.

3. The JP has facilitated the forestry, artisanal and small scale gold mining (ASGM) sectors to be more familiar and engaged in their contribution to NDC priorities and the 2030 Sustainable Development Agenda. Guidance was developed for low impact/risk operations. There was a need for and an opportunity to update strategies in all sectors for including women in the labour force, promoting financial literacy, products and services to women in business. The JP's sectoral engagement and capacity building work served as a core PUNO strategy that yielded important milestones e.g. building greater awareness across all sectors for inclusive development and improving the possibility of sector financing. The JP's Forest Finance Strategy received wide consultation among, and substantive inputs from key rural and interior stakeholders and yielded business plans for forest related investment based upon the four value chains identified - wood (traditional) , ecotourism, ecosystem services and non-timber wood products.

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)

Considerable progress was made against the three overall results which reflect the efforts to advance the National Climate Agreement (NCA) and to define a Roadmap for Sustainable Financing for Suriname. A strengthening of the partnerships with IFIs played a key role, particularly IDB - a key IFI and development partner in Suriname, which was involved in the design of the JP and remained a close partner in policy dialogues, coordination meetings, capacity building activities which contributed significantly to the national buy-in of the NCA and Government's leadership in the national process. Overall, the JP's main output, the development of a National Climate Agreement, contributes directly to Outcome 5 under Priority Area 3 of the Cooperation Framework (Resilience to Climate Change / Shocks & Sustainable Natural Resource Management) for Suriname.

a) Governance and coordination: remained a critical focus. Weekly technical meetings with PUNOs and GoS facilitated a timely exchange of information and decision-making, as did regular meetings with sectoral partners. Forest and ASGM sector stakeholders agreed on governance arrangements that would ensure advance participation and coordination with stakeholders as articulated in the REDD+ strategy, give attention to indicators such as legislation (law enforcement) and contractual arrangements and registration and other processes that impact business start-up.

b) Capacity building for key stakeholders: was the focus in 2022. Given the prevailing low levels of awareness of SDG financing and links to Suriname's sustainable development, environmental risk assessment and related standards, training courses were delivered to raise awareness on sustainable development concepts e.g. environmental/social/climate risks and sustainable finance opportunities, UNEP FI Principles of Responsible Banking (32 participants, 68% women), and in the context of an inclusive national climate agreement - with 90%+ of participants ranking the courses highly. A key result was the partnership of the IDB in the delivery of the training to public/private policy-, risk analyst- and managerial level staff. The training worked to raise awareness and improve capacities, however additional training and skills development is recommended by the JP in climate/green and/or sustainable finance. IDB participation in this aspect will be key for the continuity of the project through 2023.

c) Financial strategy development: A Forest Financing Strategy that will contribute to the Roadmap for Sustainable Financing, was developed for Suriname because of its 93% forest cover and the value of the forestry and forest and wood processing sectors for the country's sustainable development. The current potential of this sector is underutilized, hence the need for the development of the Strategy. Collaboration with the Foundation for Forest

Management (SBB) and the Suriname Industry and Trade Association (VSB) was strategic and effective in reaching 200 persons in 10 forest communities, 40% of which were women (Matta, Adjoni, Gengesitonu, Casipora, Brownsweg, Apura, Witagron, Pusugrunu, Brokopondo and Nickerie), who provided inputs to the Strategy and participated in capacity building on the new log tracking system of Suriname (SFISS). A total of 45 forest sector companies contributed to the Strategy - SBB organized two consultations with logging company operators, concession holders including log exporters, while VSB consulted with wood processing companies, nature tourism entrepreneurs and non-timber forest product producers, who agreed on 15 wood-processing investment project concepts valued at USD \$30M. Contributions to a national financing strategy from the ASGM and other extractive sectors, and the public and private banking sector, however, requires continuous dialogue with stakeholders to reduce their operational impacts and risks to financing. Additional resources of \$US5.25M were mobilized for investment in the ASGM sector from the GEF GOLD+ project, the objectives of which are to promote a higher degree of formalization among actors over the next five years.

d) Research and feasibility studies on SDG financing: The forestry sector conducted feasibility studies for investments in forest value chains, including the financial feasibility of a logging company and of a sawmill investment. For the former, the study reviewed land offered for a concession, the equipment needed for production and other operating costs and concluded that although profitability was reasonable, returns could be enhanced through further wood processing. Logging was still restricted mainly to primary products but the value chains are not as diverse when compared to those of other producers for international markets. Stakeholders confirmed the need for value added investments for good profitability. Increasing sawmilling options also offer the possibility for wood residue-based processing. A scoping study on the market potential for the sale of sawn wood in Europe showed that certified wood products have a better chance of receiving preferential financing, as well as access to markets in Europe.

e) Monitoring and review of financial and other resources: The design of Monitoring and Review Framework and tool for financial reporting for use in the three priority sectors were completed (the Artisanal and Small-scale Gold Mining, Commercial Forests, Community Forests and Non-Timber Forest Products and protected areas). The Tool comprises guidance for use, lessons learned and Excel worksheets with baselines and performance indicators.

Main Challenges, adjustments and lessons:

-One key constraint was the impact of the COVID-19 crisis as the JP was disrupted by closed borders, restricted movement internally which resulted in virtual modality of execution among PUNOs that effectively continued into 2022. Extensive seasonal flooding also caused delays in execution due to diverted Government priorities (multiple protests in 2022) and affected interior consultations. The virtual meeting modality used to engage and consult stakeholders required the adoption of a range of blended approaches, including focus groups and feedback sessions for maintaining focus and attention when dealing with minorities, women, young people, ITP's across the country engaging stakeholders and conflicting priorities.

-The JP was challenged by a general low level of knowledge and interest in SDG/sustainable financing within the banking sector, which was also identified as a causative factor in the sector's product offerings that were not necessarily designed for access by women and small businesses. Stakeholders in Suriname are keen to learn more about how climate change-related issues could affect their institutions and what best practices they would need to adopt to minimize risks and capitalize on opportunities. On the other hand, it is clear that the overall level of knowledge is low and it's needed to promote case studies and examples to translate theoretical knowledge into practical approaches to be developed in the country.

-A key adjustment that was required during 2022, was the shift from the JP's original target of the "Green Agreement" to the country's request for a National Climate Agreement; the shift required time and impacted short-term results.

-Scheduling challenges were managed by a cycle of weekly PUNO meetings to maintain project momentum with

ROM as the main partner and other Government stakeholders. This also facilitated timely exchange of information and decision-making aided greatly by the participation of the Advisor to the Minister of ROM in weekly PUNO meetings. This result also built excellent cooperation with ROM, fostered a positive team spirit for achieving JP results.

-Managing multiple stakeholders priorities requires flexibility and willingness to adjust for the best results with open and transparent communications. The JP focused on constantly drawing and maintaining attention for the financial inclusion of minorities, women, young people, ITP's in financial green policies, to ensure equality and equity.

-Finding a timeslot that facilitates the stakeholders schedule was challenging due to conflicting priorities. GoS participants were interested to participate during mid hours while students and UN - participants were available on the weekends.

SDG Acceleration

-Government's focus on the development of a National Climate Agreement has elevated Suriname's Nationally Determined Contribution (NDC) that is linked to and will accelerate, when completed, SDG 13 and SDG 15 targets. SDG 5 targets will be accelerated through activities that target women and girls as historically vulnerable populations, who must be a part of the development process and their interests and concerns accounted for in ASGM-related policies.

-The ASGM sector will also benefit from an established Stakeholder platform (SP) for engaging actors under the new, full size, GEF funded Project "Improving Environmental Management in the Mining Sector of Suriname" focused on SDG 15 targets, with objectives to optimize old mine sites instead of venturing into new mines and further clearing forests, and from planning mine closures, thus reducing biodiversity loss and promoting revegetation through cost effective approaches, such as applied nucleation and assisted regeneration. The development of the Forest Financing Strategy contributes to SDG 15 (target 15.2) with the key objective to preserve and sustainably manage the forests of Suriname.

-The strengthening of community forests and the development of new investment ideas to stimulate the growth of a green wood processing industry are simultaneously accelerating SDG 9 (target 9.3) as well as SDG 8 (target 8.3)

Updates on SDG financing framework

	Assessment Diagnostics	Monitoring	Governance
Inception phase	Financing Strategy	Review	Coordination

Descriptions on progress by INFF building blocks

Inception Phase:

Assessment & Diagnostics:

Financing Strategy:

Monitoring & Review:

Governance & Coordination:

Annual Reporting on Results

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

Next steps, scaling and sustainability [400 words]

-As the JP approaches its close on March 31st 2023, the PUNOs will continue to support the Government of Suriname in completing the formulation of the National Climate Agreement with ROM, the IDB and national stakeholders.

-With new resources mobilized from the GEF GOLD+ project implemented by UNDP within the ASGM sector for the next 5 years, continuity of actions to promote a more responsible and sustainable ASGM sector will increase revenue generation and apply more modern mining technologies and practices. This improvement will reduce environmental impact, risk of mercury contamination and biodiversity loss. The use of the Stakeholder Platform to engage the ASGM sector, promote formalization and Targeted Scenario Analysis (TSA) are key activities that will continue in 2023 under the GEF GOLD+ project, and contribute to the output of the JP.

Priority Cross-cutting Issues

Cross-cutting results/issues

Women and youth were put at the forefront in all activities, applying a gender lens in all stakeholder engagement processes. UNFPA also built on the knowledge gained from activities targeted at indigenous and tribal (ITP) women and youth, who were engaged through other Joint SDG Fund programmes (“Agrifood Systems Transformation Accelerator (ASTA)” JP and the “Leave No One Behind (LNOB) JP). These JPs have a specific focus on empowering ITP’s to participate in their socioeconomic development, particularly women and youth. Key findings from these sister-programmes were considered in the Gender Assessment which included: 1) the lack of access to financial information and small business loans, and 2) the need to enable participation of ITP women groups, female farmers and youth in high-level meetings and consultation processes in the lead-up to the National Climate Agreement. These were included in the recommendations for the updated National Gender Policy. The Gender training courses also raised awareness among banking sector actors of the benefits of designing financial products and services targeted at women- and ITP-owned businesses operating in the forestry and ASGM sectors.

How did the JP apply the Gender Marker

The JP is Gender-responsive (for example, the JP aimed to respond to specific gender needs, such as linking social assistance with GBV response services or maternal health support). Evidence, data collection and analysis (e.g. gender assessments of programmes; policy briefs, costing for scale-up of social services); Policy dialogues, advocacy (e.g. direct inputs to national policies, strategies, laws, including women’s and girls’ rights groups in coordination mechanisms); Capacity development (e.g. training of social workers, local governments, local communities);

Focus on LNOB cross cutting principles

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

Strategic Partnerships, Documents and Communications

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

-IDB's partnership and engagement as IFI and from the JP conception deepened in 2022 through good cooperation in training, strategic dialogues, NCA planning and stakeholder consultations, technical dialogues and Kick Off event, all geared to the development of the NCA.

-The forest sector dialogues were successful because of active involvement of SBB & VSB for the consultations with Community Forests groups.

-The Bureau Gender Affairs (BGA) of the Ministry of Home Affairs was a key partner in fostering ownership for the dialogues on gender, climate change and sustainable financing, across sectors. This played a major role in the receipt of Government's agreement, approval and endorsement of the amendment of the Gender Vision Plan 2021 - 2034.

-Partnership with the GEF GOLD+ project mobilized \$US5.25M in additional resources to improve operations in the ASGM sector.

Donor and Strategic events attended by JP in 2022

JP steering committee/ programme board meeting	Strategic partners/ donors event	Closing meeting/ event
Yes	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/scheme s	Improved effectiveness of (value for money; i.e. developed social impact incentive 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 or to leverage additional funding
No	Yes	Yes	No	Yes	Yes	

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

-Together with the Bureau of Gender Affairs (Ministry of Home Affairs), a Brainstorm Session (participation: 3 male/17 females) was organized. Furthermore, two (2) participants (all females) received gender capacity training, to design and/ or implement gender-responsive programs and advocate for gender-sensitive policies for a sustainable financial system. The trainees stated that the training influenced their way of thinking about gender norms and equality in society, and the impact on access to financing. There is a need for adjustment of the training curriculum to facilitate wider participation.

-134 participants from public and private financial institutions were trained in 1) Social and Environmental Risk Analysis (32 participants, 68% female); 2) Climate Change and TCFD: risks and Opportunities (55 participants, 58% female); and 3) Sustainable Finance Opportunities/Financial mechanisms (47 participants, 68% female). Low levels of awareness of climate risk mitigation were addressed through theoretical concepts and practical approaches.

-The State Forest Authority (SBB) and the private sector (VSB) trained field staff on community engagement

processes (15 staff, 30 % women). SBB conducted courses on the new log tracking system (200 community members), while VSB trained 20 forest and wood business operators (20% women) in the design of business plans. Additional training and skills development in the sectors is recommended.