

Joint SDG Fund
Template for the Joint Programme
Evidence-based Final Narrative Report
SDG FINANCING PORTFOLIO – COMPONENT 1

Cover page

Date of Report: May 2023

Programme title and Country

Country: Fiji
Joint Programme (JP) title: Unlocking SDG financing in the Pacific
MPTF Office Project Reference Number¹:

Programme Duration

Start date² (day/month/year): **June 2020**
Original End date³ (day/month/year): **June 2022**
Actual End date⁴ (day/month/year): **December 2022**

Have agencies operationally closed the Programme in its system: Yes/No
Expected financial closure date⁵: 30 June 2023

¹ The MPTF Office Project Reference Number is the same number as the one on the Notification message. It is also referred to as "Project ID" on the project's factsheet page on the [MPTF Office GATEWAY](#).

² The start date is the date inserted in the original ProDoc submitted and approved by the Joint SDG Fund.

³ As per approval of the original project document by the relevant decision-making body/Steering Committee.

⁴ If there has been an extension, then the revised, approved end date should be reflected here. If there has been no extension approved, then the current end date is the same as the original end date. The end date is the same as the operational closure date which is when all activities for which a Participating Organization is responsible under an approved MPTF / JP have been completed. As per the MOU, agencies are to notify the MPTF Office when a programme completes its operational activities. Please see [MPTF Office Closure Guidelines](#).

⁵ Financial Closure requires the return of unspent balances and submission of the [Certified Final Financial Statement and Report](#).

Participating Organizations / Partners

RC (name and email): Heike Alefsen, RC ai heike.alefsent@un.org
Government Focal Point (ministry/agency, focal point name and email):

- Fiji Ministry of Economy: Permanent Secretary, Mr. Shiri Goundar: shiri.gounder@economy.gov.fj
- Fiji Bureau of Statistics: Chief Executive Officer Ms. Maria Musudroka: info@statsfiji.gov.fj
- Republic of the Marshall Islands, Office of the Chief Secretary Ms. Kino Kabua: dcskabua.rmi@gmail.com
- Solomon Islands Ministry of National Planning and Development Coordination, Permanent Secretary Ms Susan Sulu: ssulu@mnpdc.gov.sb
- Vanuatu Department of National Planning, Office of the Prime Minister, Director Mr John Ezra: jezra@vanuatu.gov.vu

RCO Focal Point (focal point name and email): Kerry Mara: kerry.mara@un.org
Lead PUNO (focal point name and email): Patrick Tuimaleali'ifano of UNDP/patrick.tuimalealiifano@undp.org
Other PUNO Focal Points (focal point names and emails): Ronesh Prasad of UNICEF: roprasad@unicef.org and Sanjesh Naidu of UNESCAP: naidu@un.org

Programme Budget (US\$)

Total Budget (as per Programme Document, without co-funding):
Agency/Other Contributions/Co-funding (if applicable):

Joint SDG Fund Contribution⁶ and co-funding breakdown, by recipient organization:

Agency/others	Joint SDG Fund contribution	Co-funding	Total
UNDP	517,880	100,000	617,880
UNESCAP	235,400	40,000	275,400
UNICEF	246,100	60,000	306,100
Total	999,380	200,000	1,199,380

Executive Summary

The overall objective of this UN Joint Programme was to support the Governments of Fiji, Republic of the Marshall Islands (RMI), Solomon Islands, and Vanuatu to build a more integrated approach to national and sector planning and financing their development priorities.

The joint programme has supported the four Pacific Island Countries (PIC) to formulate and operationalize integrated and costed financing strategies that bring together the policies and instruments through which governments administer public and private financing. These financing strategies 1) provide a stronger basis for prioritizing and implementing policy changes and reforms and 2) help to mobilize new resources and unlock greater impact from financing. These financing strategies therefore support the delivery of national plans to make progress toward the 2030 Agenda and support the countries' transition out of LDC status.

In each country, the joint programme has supported the formulation of financing plans for strategies in sectors that have been identified as priorities for each country. These sectors include Education, Health, Early Childhood Development (ECD), Youth Development, and gender (as a cross-cutting theme). The joint programme has leveraged the ongoing support of the participating UN agencies (UNDP, UNESCAP, and UNICEF) to the Ministries of Planning, Finance, Economy, Health, Internal Affairs, Women, Youth, Children, Social Welfare and Education as related to gender-sensitive and child-centered public finance management, SDG budgeting, and oversight.

⁶ Joint SDG Fund Contribution is the amount transferred to the Participating UN Organizations – see [MPTF Office GATEWAY](#).

Key achievements, as per output, included:

Output 1: Strengthen national financing frameworks to better deliver their sustainable development plans.

- In Vanuatu, the joint programme undertook a Development Financing Assessment (DFA) to map finance flows from the public sector, private sector, and development partners to better the finance the implementation of the National Development Strategy as well as COVID-19 Economic Recovery Plans;
- In Solomon Islands, the joint programme supported the Government to undertake a DFA in 2018. UNDP also supported the Government to establish the Solomon Islands Integrated Financing Framework (SIFF), based on discussions with the Ministry of National Planning & Development Coordination. Further support is needed to review the DFA along the lines of COVID economic recovery and to sensitize the DFA and SIFF across the whole of government and civil society.
- At the regional level, the joint programme undertook a Feasibility Study with the Pacific Islands Forum Secretariat on the use of debt for climate swaps as an innovative financing instrument to provide funds to Pacific SIDS. Debt for Climate Swaps support a greener COVID-19 pandemic recovery and reduce the debt burden on countries, which was exacerbated by the pandemic. Policy briefs on selected debt management topics were also prepared.

Output 2: Strengthen national capacities to integrate SDGs into national and sector development plans and coordinate implementation across government and development partners.

- In the Marshall Islands, the JP supported the costing of the National Strategic Plan 2020-2030. The costing of NPS will compliment government efforts with medium-term budget and expenditure frameworks, including the negotiation of the next round of Compact funding with the US Government. The costing exercise also provided a platform for capacity building on costing for staff of key government ministries. The entire costing exercise has been implemented in close consultation with the Asian Development Bank.
- In the Marshall Islands, the joint programme supported the costing of a Sector Plan focused on agriculture to inform bottom-up financing decisions. It also supported the review and update of the Economic Policy Statement and the Investment Policy Statement, which facilitate both public and private financing and investment.
- In Vanuatu, the joint programme provided capacity building for Cost-Benefit Analysis, reviewed and updated that National Planning Framework and Standard Operating Procedures for sector and national planning decision-making processes, and developed user manuals with associated training on public investment planning and investment, taking into account risk and costing issues.
- In Solomon Islands, the joint programme supported the review of the public investment planning process and delivered associated capacity building support, including on Cost-Benefit Analysis and policy reporting. It also supported the preparation of a White Paper to strengthen national planning processes, institutional arrangements, and relevant legislation.
- In Fiji, the joint programme supported the preparation of an information management database to assist with improved reporting on national and SDG-related priorities. An associated diagnostic report to progressively strengthen national reporting efforts through a whole of government approach was prepared.
- In Marshall Islands and Vanuatu, the joint programme supported the development of an M&E Framework for the National Sustainable Development Plan that incorporates the SDGs. This included comprehensive consultations with line ministries to identify the data that is available and to consider

how sectoral data collection systems can be better aligned to monitor and report on the National Sustainable Development Goals.

- The joint programme supported the preparation of a tailored guidance note on public investment and project planning to serve as a knowledge resource for Pacific Island Countries and to support capacity building efforts in the future.
- The policy and planning environment for children and youth were strengthened in Fiji and Solomon Islands. In Fiji, the National Youth Policy was reviewed and developed to include national and sub-national consultations. The policy was also, for the first time, complemented by a costed Action plan to support the planning and budgeting process for the Ministry of Youth and Sports. Similarly, Solomon Islands National Children's Policy was reviewed and developed accompanied by a costed action plan and M&E framework. Data and evidence on public finance for food security and nutrition were strengthened through the development of budget and expenditure analysis for nutrition in Fiji, Vanuatu, RMI and Solomon Islands. The analysis resulted in the development of advocacy briefs to engage with stakeholders and development partners to improve investment in light of COVID-19, rising food prices and threats from climate change. Analysis also provides critical information to policymakers, especially during planning and budgeting as well as resource mobilization from development partners in the context of climate finance.
- Data and evidence on public finance for early childhood development were strengthened by the development of Budget and Expenditure Analysis in Fiji, Vanuatu, RMI and Solomon Islands. The analysis contributed to the development of the first ever National ECD Policy in all four countries. The analysis provided baseline data on how much is currently being spent on ECD, who are the partners, and what are potential opportunities for the mobilization of additional resources for ECD. As a result, all four countries have costed action plans for ECD to improve the overall outcomes for children and families. In addition, the ECD analysis contributed to the development of an information paper for the Pacific Finance and Economic Ministers Meeting in 2022, in collaboration with Pacific Islands Forum Secretariat and Pacific Community (SPC). The analysis will also be informed by the 2023 Pacific ECD Regional Forum, attended by high level officials from 15 PICTs and including the Prime Ministers of Fiji, Tonga and Samoa.

Context

The JP has strengthened governance and public finance systems for SDGs and has contributed towards COVID-19 recovery and financing strategies. This has provided a stronger basis for prioritizing and implementing policy changes and reforms to 1) mobilize new resources and 2) unlock greater impact from financing to support national plans designed to make progress toward the 2030 agenda. The JP has provided a platform to PICs to formulate and operationalize integrated, costed financing strategies that bring together the policies and instruments through which governments govern public and private financing.

Due to uncertainties as a result of the COVID-19 pandemic and frequent natural disasters, the implementation of the JP has been limited. Contextual and programmatic risks posed significant threats. Most threats were related to or derived from the COVID-19 pandemic, which limited the ability of the JP to provide in-country support and to undertake the stakeholder engagement that is necessary to build ownership and facilitate decision-making at the required level.

The limited capacity in SIDS at the start of the JP was stretched further with the COVID-19 pandemic. Absorptive capacities were, as a result, further negatively impacted. As a result of the COVID-19 pandemic, national priorities changed and this restricted the attention paid, and traction gained, by the JP. Another challenge was the tropical cyclones that affected Fiji and Vanuatu. These disasters negatively impacted engagement and the momentum of

JP activities. Lastly, political economy issues and shifting national priorities and directions also impacted the momentum of the JP.

Joint Programme Results

Fiji:

- The JP supported the Ministry of Finance, Strategic Planning, National Development and Statistics through the provision of technical assistance to strengthen the Integrated National Financing Framework through the alignment of development financing to the key results-based outputs and targets in the 5-Year and 20-Year National Development Plan and the National Sustainable Development Bond Framework. The JP also supported the strengthening of the institutional capacity of the government's innovative development financing machinery, known as the Drua Incubator. The Drua Incubator coordinates the identification and formulation of bankable development project proposals and identifies global, regional and national sustainable financing instruments for the submission of proposals.
- The JP supported the Ministry of Finance, Strategic Planning, National Development and Statistics through the preparation of an information management database to assist with improved reporting on national and SDG-related priorities. An associated diagnostic report to progressively strengthen national reporting efforts through a whole of government approach was also prepared.
- The JP strengthened the policy and planning environment for children and youth in Fiji. The National Youth Policy was reviewed and developed including national and sub-national consultations. The policy was also, for the first time, complimented by a costed Action plan and M&E framework to support the planning and budgeting process for the Ministry of Youth and Sports.
- The JP strengthened the data and evidence on public finance for early childhood development and nutrition by the development of Budget and Expenditure Analysis in Fiji. The analysis contributed to the development of the first ever National ECD Policy and inform high impact nutrition interventions. The analysis provided baseline data on how much is currently being spent on ECD and Nutrition, who are the partners, and what are potential opportunities for the mobilization of additional resources for ECD and Nutrition. As a result, countries have costed action plans for ECD and nutrition policy briefs to improve the overall planning, budgeting and outcomes for children and families.

Vanuatu:

- The JP provided technical assistance to the Department of Strategic Planning, Policy and Aid Coordination to undertake a Development Finance Assessment (DFA). The process has supported the Government of Vanuatu to develop an Integrated National Financing Framework to strengthen the implementation of the National Sustainable Development Plan, which is linked to the Medium-Term Expenditure Framework. The DFA will identify financing solutions and build consensus among a core constituency of actors on priority actions to 1) unlock and mobilize new sources of financing and 2) enhance the alignment of existing financing with national development priorities. Within these overall objectives, the DFA focuses on several key issues, including (i) alignment of the national budget with the NSDP, drawing from UNDP's expertise in SDG budgeting; (ii) digitalisation, including e-fiscalisation; (iii) parliamentary scrutiny over financing; (iv) energy reform; and (v) leveraging remittances for development.

- The formation of the Vanuatu Integrated National Financing Framework is important to the country's smooth transition after its Least Developed Country (LDC) graduation, a process that presents its own unique financing challenges.
- In addition, to support the adoption of a common approach to project planning, programming, financing and implementation, capacity building support is being provided to the Government of Vanuatu in associated areas. This includes the provision of a manual with practical guidance and the delivery of targeted training, including on Cost-Benefit Analysis. The JP also supported the Department of National Planning to review and update the National Planning Framework and Standard Operating Procedures for sector and national planning and decision-making processes and developed user manuals.
- The JP strengthened the data and evidence on public finance for early childhood development and nutrition by the development of Budget and Expenditure Analysis in Vanuatu. The analysis contributed to the development of the first ever National ECD Policy and inform high impact nutrition interventions. The analysis provided baseline data on how much is currently being spent on ECD and Nutrition, who are the partners, and what are potential opportunities for the mobilization of additional resources for ECD and Nutrition. As a result, countries have costed action plans for ECD and nutrition policy briefs to improve the overall planning, budgeting and outcomes for children and families.

Marshall Islands:

- In the Marshall Islands, the JP supported the costing of the National Strategic Plan 2020-2030. The costing exercise is complete and has been validated by the government. The validation process noted the high-level participation and the in-depth discussions held that included the Heads of government line ministries. The costing of NPS will compliment government efforts with medium-term budget and expenditure frameworks, including the negotiation of the next round of Compact funding with the US Government. The costing exercise also provided a platform for three half-day capacity building sessions on costing for staff of key government ministries. The entire costing exercise has been implemented in close consultation with the Asian Development Bank.
- The JP strengthened the data and evidence on public finance for early childhood development and nutrition by the development of Budget and Expenditure Analysis in Marshall Islands. The analysis contributed to the development of the first ever National ECD Policy and inform high impact nutrition interventions. The analysis provided baseline data on how much is currently being spent on ECD and Nutrition, who are the partners, and what are potential opportunities for the mobilization of additional resources for ECD and Nutrition. As a result, countries have costed action plans for ECD and nutrition policy briefs to improve the overall planning, budgeting and outcomes for children and families.
- The JP produced an updated Economic Policy Statement (EPS) for the Marshall Islands. The Fiscal Responsibility and Debt Management Act (2021) provides the legislative framework for the EPS and includes the Government's medium-term fiscal strategy and associated measures to manage fiscal and financing risks. The JP also supported the preparation of an currently preparing an Investment Policy Statement that will promote public and private financing flows and will complement the National Strategic Plan. The JP costed the initiatives in the Agriculture Sector Plan to facilitate financing and technical support needed for its full implementation.

Solomon Islands:

- The JP strengthened the data and evidence on public finance for early childhood development and nutrition by the development of Budget and Expenditure Analysis in Solomon Islands. The analysis contributed to the development of the first ever National ECD Policy and inform high impact nutrition

interventions. The analysis provided baseline data on how much is currently being spent on ECD and Nutrition, who are the partners, and what are potential opportunities for the mobilization of additional resources for ECD and Nutrition. As a result, countries have costed action plans for ECD and nutrition policy briefs to improve the overall planning, budgeting and outcomes for children and families.

- The JP strengthened the policy and planning environment for children in Solomon Islands. The National Children's Policy was reviewed and developed including national and sub-national consultations. The policy was also, for the first time, complimented by a costed Action plan and M&E to support the planning and budgeting process for the Ministry of Youth and Sports.
- In Solomon Islands, the joint programme supported the review of the public investment planning process and delivered associated capacity building support, including on Cost-Benefit Analysis and policy reporting. It also supported the preparation of a White Paper to strengthen national planning processes, institutional arrangements, and relevant legislation.

Regional Initiatives:

- In collaboration with the Pacific Islands Forum Secretariat, the JP prepared a feasibility study for a Debt for Climate Swap Financing Instrument. The work was presented at the Pacific Regional Debt Conference in April 2022, and was also discussed at the Forum Economic Ministers' Meeting held in Vanuatu in August 2022. Policy briefs on selected debt management topics were also prepared.
- The JP provided technical assistance to the Pacific Island Forum Secretariat (PIFS) to develop a concept note for the implementation and financing of the Pacific 2050 Blue Continent Strategy. The Pacific Roadmap for Economic Development concept note outlines the core envisaged regional economic goals of the next 30-years to be to (i) Grow and Diversify the Economic base, (ii) Strengthen Economic Defenses from Shocks, (iii) Optimize Blue Economy Potential, and (iv) Future Proof Pacific Economies. Against these key goals, the concept note outlines the key strategic economic considerations and contextualizes the impact of the pandemic on the economic strategies for recovery, which will be the core focus in the short-term. This will shape the economic pathway trajectory for the medium to longer term and help inform a clear economic development transformation roadmap for the Pacific.
- The joint programme supported the preparation of a tailored guidance note on public investment and project planning to serve as a knowledge resource for Pacific Island Countries and to support capacity building efforts in the future.
- Data and evidence on public finance for food security and nutrition were strengthened through the development of budget and expenditure analysis for nutrition in Fiji, Vanuatu, RMI and Solomon Islands. The analysis resulted in the development of advocacy briefs to engage with stakeholders and development partners to improve investment in light of COVID-19, rising food prices and threats from climate change. Analysis also provides critical information to policymakers, especially during planning and budgeting as well as resource mobilization from development partners in the context of climate finance.
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Pacific Community (SPC). The analysis will also be informed by the 2023 Pacific ECD Regional Forum, attended by high level officials from 15 PICTs and including the Prime Ministers of Fiji, Tonga and Samoa.

- The policy and planning environment for children and youth were strengthened in Fiji and Solomon Islands. In Fiji, the National Youth Policy was reviewed and developed to include national and sub-national consultations. The policy was also, for the first time, complimented by a costed Action plan to support the planning and budgeting process for the Ministry of Youth and Sports. Similarly, Solomon Islands National Children’s Policy was reviewed and developed accompanied by a costed action plan and M&E framework. Both policies have gone through validation with key stakeholders and are awaiting cabinet approval. In the Marshall Islands, the JP supported the costing of the National Strategic Plan 2020-2030. The costing exercise is complete and has been validated by the government. The validation process noted the high- level participation and the in-depth discussions held that included the Heads of government line ministries. The costing of NPS will compliment government efforts with medium-term budget and expenditure frameworks, including the negotiation of the next round of Compact funding with the US Government. The costing exercise also provided a platform for three half-day capacity building sessions on costing for staff of key government ministries. The entire costing exercise has been implemented in close consultation with the Asian Development Bank.

1. Overview of Strategic Final Results

1.1. Overall assessment (max 100 words)

- The project was successful in producing outputs and achieving its objectives despite a very challenging context. Had the JP been implemented at a different time, its impact would have been greater. While it was impossible to predict the trajectory of the COVID-19 pandemic in Pacific Island Countries, the frequent occurrence of tropical cyclones in the region is expected. The risk of disasters in the region could have been treated differently in the context of this JP.
- The JP was approved in June 2020 and funds were received in the last quarter of 2020. Fiji, Vanuatu and Solomon Islands were affected by two severe storms, namely Tropical Cyclones Harold and Yasa. During the JP implementation period, national elections held in Vanuatu and political and civil unrest in and riots in Solomon Islands also impacted the timing of various deliverables. The COVID-19 pandemic delayed the overall implementation of the JP.

- *Provide an overall assessment of JP implementation in terms of the achievement of its intended results, outcomes and outputs*

- Above expectations (fully achieved expected JP results and made additional progress)
- In line with expectations (achieved expected JP results)
- Satisfactory (majority of expected JP results achieved, but with some limitations/adjustments)**
- Not-satisfactory (majority of expected JP results not achieved due to unforeseen risks/challenges)

- *Briefly outline the justification for the assessment.*

1.2 Key results achieved (max 500 words)

- In Fiji, the project strengthened the capacity of the Government to identify economically viable projects for the development of the blue economy. The JP also supported the start-up and scale-up of those projects through a blended financing mechanism that leverages development funds from donors, the public sector, and the private sector. The project has also supported the Fijian Government to monitor and report on their national priorities and the SDGs by developing data collection and assessment systems, providing training on the development of SMART indicators for the monitoring of the National Development Plan, and supporting comprehensive stakeholder engagement on the progress towards the SDGs as part of the VNR reporting process.

- In Vanuatu, through the Development Financing Assessment (DFA), the project supported the Government to determine the steps required to operationalize an *Integrated National Financing Framework (INFF)*. The INFF will strengthen the delivery of the National Sustainable Development Plan (NSDP), as aligned with the SDGs, by enhancing the government’s capacity to mobilize and unlock the necessary resources and investments. The revised National Planning Framework and Standard Operating Procedures will assist with the efficiency and effectiveness needed to accelerate the implementation of priority national initiatives.
- In Solomon Islands, the preparation of a White Paper on strengthening planning systems, institutions and regulations will facilitate partner engagement in reforms needed to enable more effective capital investments, including through public and private financing means.
- In RMI, the project has strengthened the government’s capacity to cost and monitor their National Sustainable Development Goals, which are aligned to the SDGs. This will greatly assist the government to identify resource and capacity gaps within their National Strategic Plan (NSP) and to better coordinate with donors and development partners to unlock the resources required to effectively and efficiently implement the NSP and achieve the national and global SDGs. The preparation of the Economic Policy and Investment Policy Statements will assist with the promotion of predictable macroeconomic and fiscal reforms, whilst facilitating further public and private investment flows.
- The JP strengthened the data and evidence on public finance for early childhood development and nutrition by the development of Budget and Expenditure Analysis in Solomon Islands, Fiji, RMI and Vanuatu. The analysis contributed to the development of the first ever National ECD Policy and inform high impact nutrition interventions. The analysis provided baseline data on how much is currently being spent on ECD and Nutrition, who are the partners, and what are potential opportunities for the mobilization of additional resources for ECD and Nutrition. As a result, all four countries have costed action plans for ECD and nutrition policy briefs to improve the overall planning, budgeting and outcomes for children and families.

[1.3. Results achieved on Integrated National Financing Framework/SDG financing building blocks \(max 2 pages\)](#)

- *Please report on the results of the JP according to the INFF building blocks and implementation stages in the table below.*

Implementation stages	Planned (0%)	Emerging (1-49% progress)	Advancing (50-99% progress)	Complete (100% progress)	Previously completed	Not applicable
1. Inception phase	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>XError! Bookmark not defined.</i>	<input type="checkbox"/>	<input type="checkbox"/>
2. Assessment & diagnostics	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Financing strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Monitoring & review	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Governance & coordination	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In Vanuatu, the Government introduced a number of major reforms in the last decade, including the development of the Debt Management Strategy. This supports Vanuatu to implement the 2019 budget and attain its medium-term goals by ensuring that the government’s borrowing requirements and payment obligations are

met at the lowest cost with a prudent degree of risk. This Debt Management Strategy is consistent with the principles of responsible, transparent, and accountable fiscal management specified in the Public Finance and Economic Management (PFEM) Act of 1998. It also draws upon the Government's commitment to developing and designing a strategy that is evidence-based and ensures that public debt levels remain sustainable, while at the same time supporting development programs to strengthen Vanuatu in the present and invest in the country's future. The adoption of the Aid Management Policy in 2019 is a positive move toward alignment with international aid practices and frameworks.

Recent developments in national planning include the implementation of the National Sustainable Development Plan (NSDP) 2016 – 2030. That fifteen-year plan localized the SDG's into three pillars, namely Economic, Social and Environment. The NSDP M&E Framework was designed to complement the Vanuatu 2030 National Sustainable Development Plan. The framework is results-based and serves as a guide for implementing, monitoring and reporting on the NSDP. Achieving Vanuatu's long-term development objectives will require significant investments and financing.

UNDP has supported the Government of Vanuatu to undertake a Development Finance Assessment that will culminate in the articulation and agreement of an INFF Roadmap. The substantive analysis is being carried out throughout the process. The key analysis includes:

COVID-19 and Building Back Better

- Identification of priorities for recovery and building back better from COVID-19 in light of longer-term national sustainable development objectives
- Review of the impacts of the COVID-19 pandemic and government responses to date,⁷ including key financing interventions
- *INFF Building Block 1: Assessment and Diagnostics*
- Collation of existing estimates of financing needs and costs associated with realizing national development priorities.
- A comprehensive analysis of historic trends and the current context and future outlook across the financing landscape, considering public, private, domestic and international financing resources, flows and instruments.
- Mapping and analysis of a variety of risks⁸ that can affect financing needs, trends and availability of financing for the sustainable development priorities, drawing from available literature and analysis.
- Developing simple scenarios of future financing trajectories based on assumptions about COVID-19.

1.4. Contribution to SDG acceleration

- *n/a*

1.5. Contribution to SDG financing flows (max 500 words)

- As part of the DFA process in Vanuatu, a review of existing policies and ongoing reforms for the governance of public and private financing considering alignment with national sustainable development priorities, coherence across financing policies and impact in terms of mobilizing and promoting investments that advance national priorities.

⁷ A key source for this will be UNDP socio-economic impact assessments.

⁸ Including economic, political, fiscal, financial, climate, environmental, disaster, pandemic or other risks.

- The DFA analyses opportunities for mobilizing new sources of finance and strengthening the alignment of public and private financing with national priorities.
- Through a comprehensive consultative process, the DFA will identify solutions and recommendations for reforms to public finance policies, institutional structures, and capacity with a view to supporting an integrated public finance approach to building back better and financing the national development plan.
- Through a comprehensive consultative process, the DFA has identified solutions and recommendations for reforms to private finance policies, institutional structures, and capacity with a view to supporting an integrated approach to public policy for private finance for building back better.

1.6. Results achieved on contributing to UN Development System reform (max 500 words)

The JP has made changes and led to the strengthening of the UN system by working in partnership with the government and other stakeholders to bring together the respective comparative advantages of the PUNOs to develop sustainable development strategies and policy instruments. For example, in RMI, UNICEF, UNDP and UNESCAP worked together to cost and develop the M&E framework of the National Strategic Plan 2020-2030.

The Joint Programme has been more efficient and has reduced transaction costs. It has coordinated efforts by the PUNOs to complement each other, promote synergy, and avoid duplication. All PUNOs worked together to strengthen the National Strategic Plan; ESCAP worked on an economic analysis and policy statement, UNICEF worked on costing the NSP, and UNDP worked on strengthening the M&E framework of the NSP.

1.7. Results achieved on cross-cutting issues (max 200 words)

- n/a

1.8. Results achieved on COVID-19 recovery (max 200 words)

Through the DFA formulation process, the JP supported the Government of Vanuatu to finance recovery from the COVID-19 pandemic by:

- Identifying priorities for recovery and building back better from COVID-19, and achieving longer-term national sustainable development objectives, and
- Reviewing the impacts of the COVID-19 pandemic and government responses to date, including key financing interventions.

1.9. Strategic Partnerships (max 500 words)

The project supported the Government of Fiji to incubate a robust pipeline of blue projects (through the Drua Incubator within the Ministry of Economy) that can be scaled up using blended finance solutions such as sovereign blue bonds, bilateral budget support, credit guarantee support, and private equity solutions. The Blue Economy projects have three important characteristics that set them apart, namely that:

1. They are disrupting current industries and challenging norms to achieve unique solutions. Innovative disruptive companies are high risk but also have the potential for high returns.
2. They are strong enablers of transition, demonstrating the need for sectors in the blue economy to mature towards a low carbon-low impact future.
3. They support environmental protection and conservation by placing financial metrics on natural capital – the ocean – making it easier for investors to value their investments.

The eight blue projects that were selected are expected to create eighty green jobs over the next 18 months, of which 45% would support employment for **women**, help reduce Fiji’s carbon emissions, and become proof of concept suitable for replication across the Pacific.

1.10. Additional financing mobilized (max 300 words): n/a

Source of funding	Yes	No	Type of co-funding/co-financing	Name of organization	Amount (USD)	Comments
Government	<input type="checkbox"/>	<input type="checkbox"/>				
Donors/IFIs	<input type="checkbox"/>	<input type="checkbox"/>				
Private sector	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Parallel</i>	<i>UNDP</i>	<i>USD2.8m</i>	<i>In partnership with the Government of Fiji through the Drua Incubator Initiative</i>
PUNOs	<input type="checkbox"/>	<input type="checkbox"/>				
Other partners	<input type="checkbox"/>	<input type="checkbox"/>				

2. Results by JP Outcome and Output

2.1. Results achieved by Fund’s global results (max 500 words)

The JP exceeded the Target indicator of “US\$ & Ratio of financing for integrated multi-sectoral solutions leveraged disaggregated in terms of public and private sector funds” by mobilizing Parallel funding on sustainable blue economy development initiatives from the private sector, NGOs, and academic institutions as part of the Blue Accelerator Programme in partnership with the Fiji Ministry of Economy.

2.2. Results achieved by Joint Programme Outcome (max 500 words)

The target indicator of 1 for “# of integrated financing strategies/instruments that were tested” was met by the JP. This refers to the formulation of the Drua Incubator within the Fijian Ministry of Economy. This is a national SDG accelerator programme designed to identify and operationalize economically viable projects that contribute to the acceleration of SDG achievement across the country. The Drua Incubator has a Policy Guide, as well as Standard Operating Procedures, that provides guidance for the efficient running of the programme which was developed through support from the JP. In 2022, the Drua Incubator leveraged USD 2.8 million from the private sector and NGOs and US\$500,000 from the UK government respectively to run an accelerator programme for projects relating to the sustainable development of the blue economy.

2.3. Results achieved by Joint Programme Output (max 500 words)

Fiji:

- The JP supports the Ministry of Finance, Strategic Planning, National Development and Statistics by strengthening the institutional capacity of the Government’s Innovative Development Financing Machinery (the Drua Incubator) to coordinate the identification and formulation of bankable Blue Economy project proposals and identify sustainable financing from the private sector to implement the identified projects;
- The JP supported the Government of Fiji to monitor and report on the National Sustainable Development Goals as articulated in the 5 year National Development Plan by supporting SDG data collection, the formulation of Key Performance Indicators against the NDP, and the development of databases that can be regularly updated to monitor the National and Global Sustainable Development Goals and to inform policy dialogue and decisions for the acceleration of the SDGs.

- The JP supported review, development and costing of the National Youth Policy including consultation with key stakeholders. The policy is accompanied by costed action plan and M&E framework which is awaiting Cabinet approval.

Vanuatu:

- The JP is providing technical assistance for a Development Finance Assessment (DFA) to the Department of Strategic Planning, Policy, and Aid Coordination. The process will support the Government of Vanuatu to develop an Integrated National Financing Framework to strengthen the implementation of the National Sustainable Development Plan that is linked to the Medium-Term Expenditure Framework. The DFA will identify financing solutions and build consensus among a core constituency of actors on priority actions to unlock and mobilise new sources of financing and enhance the alignment of existing financing with national development priorities. Within these overall objectives, the DFA will focus on several key issues, including (i) the alignment of the national budget with the NSDP, drawing from UNDP's expertise in SDG budgeting; (ii) digitalisation, including e-fiscalisation; (iii) parliamentary scrutiny of financing; (iv) energy reform; and (v) leveraging remittances for development.
- The development of Vanuatu's Integrated National Financing Framework will provide important support to the country's smooth transition following its Least Developed Country (LDC) graduation, a process that presents its own unique financing challenges.
- In addition, to support a common approach to project planning, programming, financing and implementation, capacity building support is being provided to the Government of Vanuatu in associated areas. This includes the provision of a practical guidance manual and the delivery of targeted training. Several complementary activities are currently underway to support this endeavour. The capacity building includes project planning and programming, cost-benefit analysis for public investment projects, and policy and data analysis. Similar support was provided to Solomon Islands.

Marshall Islands:

- In the Marshall Islands, the JP supported the costing of the National Strategic Plan 2020-2030. The costing exercise is complete and has been validated by the government. The validation process noted the high-level participation and the in-depth discussions held that included the Heads of government line ministries. The costing of NPS will compliment government efforts with medium-term budget and expenditure frameworks, including the negotiation of the next round of Compact funding with the US Government. The costing exercise also provided a platform for three half-day capacity building sessions on costing for staff of key government ministries. The entire costing exercise has been implemented in close consultation with the Asian Development Bank.
- The JP supported the Government of Marshall Islands with the development of the M&E framework for its National Strategic Plan (NSP) and the collection of data related to its policy objectives and outputs. This will enable the Government to better monitor progress and identify challenges in achieving the NSP and the SDGs.
- The JP completed an Economic Policy Statement (EPS) for Marshall Islands which was endorsed by Cabinet and Parliament in 2021. The Fiscal Responsibility and Debt Management Act (2021) provides the legislative framework for presenting the EPS and includes the Government's medium-term fiscal strategy and associated measures to manage fiscal and financing risks. The JP is currently preparing an Investment Policy Statement that will complement the National Strategic Plan and will support further investment and private financing flows. An Agriculture Sector Plan costing activity was completed in Q1 2022.

Regional:

- A Regional Feasibility Study on Debt for Climate Swap was prepared with the Pacific Islands Forum Secretariat (PIFS) in consultation with member states, the draft findings of which were presented to the Pacific Forum on Sustainable Development in November 2021. A workshop was held on 16 March to discuss the findings and options. The findings were also discussed at the Pacific Regional Debt Conference that was co-convened by the Governments of Fiji and Tuvalu, PIFS, and ESCAP from 5-8 April 2022. The Forum Economic Ministers' Meeting in July 2022 deliberated on this further.
- The joint programme supported the preparation of a tailored guidance note on public investment and project planning to serve as a knowledge resource for Pacific Island Countries and to support capacity building efforts in the future.
- Data and evidence on public finance for food security and nutrition were strengthened through the development of budget and expenditure analysis for nutrition in Fiji, Vanuatu, RMI and Solomon Islands. The analysis resulted in the development of advocacy briefs to engage with stakeholders and development partners to improve investment in light of COVID-19, rising food prices and threats from climate change. Analysis also provides critical information to policymakers, especially during planning and budgeting as well as resource mobilization from development partners in the context of climate finance.
- Data and evidence on public finance for early childhood development were strengthened by the development of Budget and Expenditure Analysis in Fiji, Vanuatu, RMI and Solomon Islands. The analysis contributed to the development of the first ever National ECD Policy in all four countries. The analysis provided baseline data on how much is currently being spent on ECD, who are the partners, and what are potential opportunities for the mobilization of additional resources for ECD. As a result, all four countries have costed action plans for ECD to improve the overall outcomes for children and families. In addition, the ECD analysis contributed to the development of an information paper for the Pacific Finance and Economic Ministers Meeting in 2022, in collaboration with Pacific Islands Forum Secretariat and Pacific Community (SPC). The analysis will also be informed by the 2023 Pacific ECD Regional Forum, attended by high level officials from 15 PICTs and including the Prime Ministers of Fiji, Tonga and Samoa.
- The policy and planning environment for children and youth were strengthened in Fiji and Solomon Islands. In Fiji, the National Youth Policy was reviewed and developed to include national and sub-national consultations. The policy was also, for the first time, complimented by a costed Action plan to support the planning and budgeting process for the Ministry of Youth and Sports. Similarly, Solomon Islands National Children's Policy was reviewed and developed accompanied by a costed action plan and M&E framework. Both policies have gone through validation with key stakeholders and are awaiting cabinet approval. In the Marshall Islands, the JP supported the costing of the National Strategic Plan 2020-2030. The costing exercise is complete and has been validated by the government. The validation process noted the high-level participation and the in-depth discussions held that included the Heads of government line ministries. The costing of NPS will compliment government efforts with medium-term budget and expenditure frameworks, including the negotiation of the next round of Compact funding with the US Government. The costing exercise also provided a platform for three half-day capacity building sessions on costing for staff of key government ministries. The entire costing exercise has been implemented in close consultation with the Asian Development Bank.

3. Challenges and Changes

3.1. Challenges faced by JP (max 300 words)

Implementation delays were the result of the following:

- Difficulties in recruiting International Consultants due to COVID-19 related border closures.
- Challenges associated with not being able to travel to the participating countries, such as limited consultations with key stakeholders in government and the private sector.
- Turnover of Project Manager within the lead PUNO.
- Limited availability of suitable local consultants.
- Inability to travel to countries for programming and to efficiently trouble-shoot challenges.
- Impacts of the COVID-19 pandemic on PUNO staff based in Fiji, given widespread infection rates from February 2021 to October 2022, resulting in the temporary closure of the office and various safety and health challenges.
- Changes in counterparts and government personnel in some countries, e.g. the change of Finance Minister and Heads of Agencies, reduced the momentum of programmed work;
- Inability to host in-person training and capacity building events given COVID-19 restrictions, noting that virtual meetings were less effective and resulted in lower spending relative to plans; and
- Governments having prioritized COVID-19 response over other activities.

3.2. Changes made to JP (if applicable) (max 200 words):

- A No Cost Extension to the end of 2022 was requested and granted due to delays caused by the challenges listed above.

4. Sustainability and Country Ownership

4.1. Sustainability and country ownership (max 500 words):

In Vanuatu, the next step is to consult with Government on the formulation of an INFF or SDG financing Strategy linked to the implementation of the National Sustainable Development Plan. The new National Planning Framework and Standard Operating Procedures will assist with achieving efficiency gains in planning and policy implementation issues over the medium term.

In Fiji, the JP supported the formulation of Standard Operating Procedures for the SDG Acceleration Programme known as the Drua Incubator, which the Ministry of Economy will use to develop calls for proposals and support the implementation and monitoring of social impact and SDG impact projects out of the Drua incubator. This will contribute to sustainability as new staff can learn to run or operate the Drua Incubator by going through the SOPs. The strengthened Drua Incubator will support the Government of Fiji to accelerate the implementation of their 5 year National Development Plan.

In Solomon Islands, with leadership and commitment, the reforms envisaged in the White Paper for strengthening national planning can assist with the achievement of improved efficiency gains across government.

In the Marshall Islands, the JP provided institutional strengthening to the Government, via the Economic Policy, Planning and Statistics Office (EPPSO) to monitor and report on the status of the National Strategic Plan to inform policy dialogue and formulation. The costing of RMI NSP 2020-203 enhanced provided much needed information to inform national planning and budget process as well as compact funding negotiations.

5. Communications

5.1 Communication products (max 300 words)

Refer to Annex 3

5.2 Events

- Indicate if the JP has organized any of the events below in person or virtually and provide brief description with highlights.

Type of event	Yes	No	Number of events	Brief description and any highlights
JP launch event (mandatory)	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Annual donors' event* (mandatory)	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Partners' event ** *(optional)	<input type="checkbox"/>	<input checked="" type="checkbox"/>		

*The Fund donor countries are Denmark, European Union, Germany, Ireland, Luxembourg, Monaco, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland. Please note that this event can be held together with a launch event or partners' event.

** Key advocacy outreach events with high level JP partners.

6. Lessons and Best Practices

6.1. Key lessons learned, best practices, and recommendations on SDG financing (max 300 words)

One of the key lessons learned is that it is essential to be flexible and adjust the JP activities to align with the changing environment and government development priority adjustments due to unforeseeable shocks such as the global pandemic.

Many of the countries in the Pacific borrow from countries that, by law, cannot undertake Debt for Climate Swaps and therefore these types of financing instruments will not be possible to free up new development financing. Moreover, transaction costs for using such instruments may be too high relative to the small scale of debt holding with bilateral creditors. In any case, bilateral creditors need to be forthcoming in accepting a 'swap' arrangement, as multilateral lending institutions are currently unable to offer swap arrangements.

Sustainable Development Bonds can be an effective instrument to engage the private sector in SDG financing. Through these bonds, local and foreign impact investors will unlock financing for sustainable development projects and business models. For example, in Fiji, the JP supported the Government to develop a sustainable bond framework as well as a Blue Bond Issuance that will be used to fund projects and business models in the blue economy areas of sustainable aquaculture, e-mobility, ocean trails, mangrove forest protection and tours, and electric inter-island shipping.

Best practices:

- A blended financing approach can unlock new industries and create new jobs that contribute to and accelerate SDG achievement. For example, the Drua incubator supported the identification and implementation of sustainable and new business models that contribute to the sustainable development of the blue economy as well as contribute to sustainable economic growth and MSMSE development.
- Tailored national planning and financing systems should be continuously improved, given the limited capacities in targeted countries, the importance of making service delivery more efficient and effective, and the need to make progress on national development priorities.

6.2. Key lessons learned and best practices, and recommendations on Joint Programming (max 300 words)

- Taking a collective approach in the design and delivery of the JP with PUNOs and, importantly, other stakeholders such as the Pacific Islands Forum Secretariat and other regional organizations, can leverage various benefits. These include access to a wider group of policymakers, technical experts, and other

funding resources within PUNOs. In addition, a JP allows for tailored in-country support that builds on the efforts of development partners and national stakeholders and allowed for augmented support.

- A good practice, as a result of the lessons learned from the COVID-19 pandemic-related border closures, was to utilize national experts and consultants to assist with JP delivery where possible.