
Strengthening Costa Rica's SDG Financing Architecture Through Resource Alignment with National Goals and Improved Education Sector Public Spending.

A Joint Programme Proposal submitted to the UN Joint SDG Fund, Component 1

(UNICEF, UNESCO and UNFPA)

31 March 2020

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A. COVER PAGE

1. Fund Name: Joint SDG Fund

2. MPTFO Project Reference Number

3. Joint programme title: Strengthening Costa Rica's SDG financing architecture through resource alignment with national goals and improved education sector public spending.

4. Short title: Improved financing framework for results.

5. Country and region: Costa Rica, Latin America and the Caribbean.

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7. UN Joint Programme focal points:

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- Esther Kuisch Laroche, Director of the UNESCO Office in San José and UNESCO Representative to Costa Rica, e.kuisch-laroche@unesco.org (co-lead), +506 20103800
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9. Short description: Through a 2 pillar approach the Joint Programme (JP) intends to strengthen SDG financing architecture at the national, sectoral (education) and ecosystem levels. Working with the public sector it will develop an integrated financing strategy to mobilize and align multiple sources of capital and planning processes with national development priorities and the 2030 Agenda for Sustainable Development, while focusing specifically on the education sector to improve its public spending efficiency through the implementation of a gender-responsive, socially inclusive and results-based budget and framework. At the ecosystem level, the JP will convene key stakeholders in the private, social and financial domains to identify concrete opportunities for strengthened cross-sectoral collaboration in joint financing and operational mechanisms, complemented by capacity building and dialogue strengthening processes.

10. Keywords: Leave no one behind, SDGs, 2030 Agenda, results-based budgeting, DFA, INFF, blended finance, financing ecosystem, education, gender, social inclusion, efficiency.

11. Overview of budget

Joint SDG Fund contribution	USD \$1,000,000
Co-funding UNICEF	USD \$165,000
Co-funding UNESCO	USD \$132,260
Co-funding UNFPA	USD \$131,300
TOTAL	USD \$1,428,560

12. Timeframe:

Start date	End date	Duration (in months)
01/10/2020	30/09/2022	24 months

13. Gender Marker: 2.6/3.0

14. Participating UN Organizations (PUNO) and Partners:

14.1 PUNO

- Convening agency:
 - UNICEF: Gordon Jonathan Lewis, UNICEF Costa Rica Representative, jlewis@unicef.org + 506 84710522
- Other PUNO:
 - UNESCO: Esther Kuisch Laroche, Director of the UNESCO Office in San José and UNESCO Representative to Costa Rica, e.kuisch-laroche@unesco.org, +506 2010 3800
 - UNFPA: Elena Zúñiga, UNFPA Costa Rica Country Director, ezuniga@unfpa.org , +505 2264-8585, ext. 102

14.2 Partners

- National authorities:
 - **Ministry of Planning and Economic Policy (MIDEPLAN):** Pilar Garrido, Minister of Planning and Economic Policy, , pilar.garrido@mideplan.go.cr, +506 88415695 (please refer to letter of support)
 - **Ministry of Public Education:** Karol Zúñiga, Ministry of Public Education, karol.zuniga.ulloa@mep.go.cr, +506 8818 0089 (please refer to letter of support)
 - **National Institute for Women (INAMU):** Ana Lorena Flores, General Director for Strategic Area, aflores@inamu.go.cr, +506 2527-8403 (please refer to letter of support)
 - **Treasury:** Please note that due to several changes in personnel at the Viceministerial level, the focal point for the Joint Programme still has not been confirmed.
- Civil society organizations:
 - **Defense for Children International**, Costa Rica: Virginia Murillo, Executive President, presidencia@dnicostarica.org, +506 22369134
 - **Women's Forum:** Ana Hernández, President, anahernandezbo@gmail.com. (A consortium of NGOs working on gender and women's rights in the country).
 - **Instituto de Investigaciones en Ciencias Económicas**, Universidad de Costa Rica, Dr. José Antonio Cordero Peña. (Director), direccion.iice@ucr.ac.cr, +506 25116481
- Private sector:
 - **Alianza Empresarial para el Desarrollo (AED)**, Olga Sauma, Executive Director, olgasauma@aedcr.com, +506 22312081 ext. 113
 - **Consejo Asesor de Responsabilidad Social (CARS)**, Laura Pacheco Ovaes, Viceminister of the Ministry of Economy, Industry and Commerce, viceministra@meic.go.cr, (506) 2549-1400, Ext 271 Fax: (506) 2291-2029
- Other partners:
 - **Interamerican Development Bank (IDB).** New Country Director for Costa Rica has not been designated yet.
 - **World Bank:** Óscar Avalue, Country Director for El Salvador and Costa Rica. oavalle@worldbank.org

SIGNATURE PAGE

Due to the COVID-19 emergency and social distancing requirements, it was not possible to obtain physical signatures, which have been replaced by the attached e-signatures.

Resident Coordinator Alice H. Shackelford <i>Date and Signature</i>	National Coordinating Authority <i>Name of institution</i> <i>Name of Representative</i> <i>Date</i> <i>Signature and seal</i>
Participating UN Organization (lead/convening) <i>United Nations Children's Fund (UNICEF)</i> <i>Gordon Jonathan Lewis, Representative</i> <i>Date</i> <i>Signature and seal</i> 11-06-2020	
Participating UN Organization (co-lead) <i>United Nations Educational, Cultural and Scientific Organization (UNESCO)</i> <i>Esther Kuisch Laroche, Country Representative</i> <i>Date</i> 10/6/2020 <i>Signature and seal</i>	
Participating UN Organization <i>United Nations Population Fund (UNFPA)</i> <i>Elena Zúñiga, Country Director</i> <i>Date</i> 10/06/2020 <i>Signature and seal</i>	

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B. STRATEGIC FRAMEWORK

1. Call for Concept Notes: SDG Financing (2/2019) – Component 1

2. Programme Outcome [pre-selected]

- Additional financing leveraged to accelerate SDG achievement (Joint SDG Fund Outcome 2)

3. UNDAF Outcomes and Outputs

3.1 Outcomes

Costa Rica's United Nations Development Assistance Framework (UNDAF), 2018 - 2022, focuses on accelerating the 2030 Agenda, highlighting the critical importance of multisectoral collaboration among national partners and UN agencies, funds and programmes (AFPs) to respond more effectively and innovatively to national priorities with a focus on leaving no one behind. The UNDAF promotes three priority intervention areas that guide the cooperation given by the AFPs to the country:

1. Strategic Priority 1: Strengthened capacities of public institutions and private and civil society organizations to facilitate and establish innovative and transformative national pacts and agreements based on dialogue to accelerate achievements of the SDGs for sustainable development with equality.
2. Strategic Priority 2: Strengthened institutional capacities for innovative, effective and efficient public administration to accelerate achievement of the SDGs for sustainable development with equality.
3. Strategic Priority 3: Strengthened capacities of the population for participation and the enforceability of rights to accelerate achievement of the SDGs for sustainable development with equality.

The proposed Joint Programme will contribute to the first two UNDAF priorities, through the following outcomes:

- Outcome 1.1: Social stakeholders have strengthened capacities to actively participate in dialogues aimed at establishing agreements to accelerate the achievement of the SDGs.
- Outcome 1.2: Social stakeholders have strengthened their technical capacities in the use of knowledge to address national priorities for sustainable development with equality.
- Outcome 2.1: National and local public administration strengthen mechanisms for the enforceability of rights and their capacity for results-based management with a gender and rights-based approach to achieve sustainable development with equality.
- Outcome 2.3: Public administration strengthens its technical capacity to generate data and produce knowledge to facilitate decision making to improve efficiency and effectiveness of public management.

3.2 Outputs

The Joint Programme will contribute to the achievement of the following outputs from UNDAF's Strategic Priority 1:

- Output 1.1.2: Public management oriented towards the fulfillment of the SDGs, particularly in the health, education and sustainable production sectors.

- Output 1.1.3: Dialogue mechanisms with multi-stakeholder participation are strengthened with greater representativeness of stakeholders, to reach agreements.
- Output 1.2.1: Documents that synthesize evidence and recommends policy options related to the national priorities aligned with SDGs.

Likewise, this JP will contribute to the following output from UNDAF 's Strategic Priority 2:

- Output: 2.1.1 Institutional models, protocols and procedures that facilitate the incorporation of the results-based management and gender and human rights approach aligned with the SDGs.

4. SDG Targets directly addressed by the Joint Programme

4.1 List of goals and targets

Target 4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.

Target 5.c Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.

SDG 17 calls for the strengthening of global partnerships to support and achieve the multiple goals of the 2030 Agenda by bringing together national governments, the international community, civil society, the private sector and other actors. Whilst it has an important bearing on the achievement of this JP, after careful analysis, it is difficult to identify specific targets that are directly associated with the expected outcomes and outputs. Thus, it is important to reference them but the JP will not be seeking to directly influence the indicators associated with targets 17.1, 17.3, 17.9 and 17.17.

Target 17.1 Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection.

Target 17.9. Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the sustainable development goals, including through North-South, South-South and triangular cooperation.

4.2 Expected SDG impact

By closely accompanying national institutions in the follow-up to and implementation of the recommendations of the Development Finance Assessment (DFA) regarding the financing gaps for SDG achievement, the JP will be in a strategic position to ensure the alignment of resources from different financing streams with the acceleration of progress towards the SDGs in Costa Rica whilst leaving no one behind. By focusing on the critical and cross-cutting education sector and the integration of a gender and social inclusion perspectives, the JP will work closely with the Ministry of Public Education to improve efficiency and equity in public spending through results-based and gender-focused budgeting in those SDG 4 and 5 targets that require most acceleration and where gaps, inefficiencies and developmental outcomes are most evident. By applying a focus on incorporating gender equality and social inclusion criteria, the JP aims at developing a financing and programming framework that aims to eliminate existing inequalities and leaving no one behind, not only in the education sector, but that can also be scaled and applied to other critical sectors.

5. Relevant objectives from the national SDG framework

In Costa Rica, the national SDG framework is composed of the National Development and Public Investment Plan (PNDIP, 2019-2022), the National SDG Structure of Governance and the National Pact for the SDGs, with relevant objectives for this JP. The PNDIP connects national objectives in different social, economic, institutional and productive sectors with key SDGs, whilst underscoring the need to improve the public financing ecosystem and the criticality of healthy public finances for the achievement of socially inclusive and gender responsive developmental outcomes. The Financial and Public Budget Administrative Law (2001) is a backbone of the PNDIP and calls for affordability, efficiency and efficacy in the implementation of national financial resources. The PNDIP also requires strict measures to reduce the fiscal deficit including through greater efficiency in the use of financial resources and a broadening of different financing streams.

The SDG Structure of Governance includes the High-Level SDG Council with a key mandate of guaranteeing sufficient public financing to implement the SDGs. Costa Rica became the first country in September 2016 to launch the National SDG Pact with the commitment to mobilize all necessary financial resources from a variety of sources to guarantee the implementation of key goals and targets. The 2017 National Voluntary Review recommends that the public sector develop tools and methodologies to improve budgetary planning accompanied by rigorous monitoring of the efficiency and efficacy of public sector spending.

At the sectoral education level, the PNDIP includes important objectives related to developmental outcomes but does not explicitly refer to the need to improve the efficiency and impact of spending of the education budget. Nonetheless, the current National Education Policy (2017) establishes that the education sector budget must be implemented in an equitable and efficient manner in order to generate 21st century developmental results.

6. Brief overview of the Theory of Change of the Joint programme

The JP's working assumption is that achievement of the SDGs and its central premise of leaving no one behind, depends both on the mobilization and alignment of different sources of financing with the 2030 Agenda, but also on the optimal use of those resources through effective results and impact management. In order to achieve these, the most strategic entry point is by improving the public sector's capacity to plan, finance and account for results leading to the SDGs, with a gender and social inclusion perspective. Equally important is fostering ecosystem level conditions for key stakeholders in the private, financial and social sector to engage with the government in blended finance instruments and delivery mechanisms, for which capacity building and collaboration platforms constitute the necessary enablers. To conclude, undertaking a deep dive in the education sector and how it budgets and implements its financial resources will uncover critical bottlenecks that need to be resolved so that the sector can generate better developmental outcomes and, in so doing, demonstrate how other sectors could undertake a similar exercise.

7. Trans-boundary and/or regional issues

Not applicable to this JP proposal.

C. JOINT PROGRAMME DESCRIPTION

1. Baseline and Situation Analysis

1.1 Problem statement

On the road to financing and achieving the 2030 Agenda for Sustainable Development, Costa Rica faces three important challenges: (i) the manner in which the public sector undertakes long-term planning; (ii) the efficiency of public spending in terms of budgeting processes and its linkages with development outcomes that are still leaving behind large segments of vulnerable populations; and (iii) the overall capabilities in the public, private and financial sectors to enhance sustainable financing strategies and investments in the country.

Public planning disconnected from financing systems

In Costa Rica, the UN-led Development Finance Assessment (DFA, 2019) confirms several shortcomings in public finance management and planning that are important obstacles towards the goal of aligning public spending with the SDGs, including:

- **Lack of long-term planning:** The public sector does not systematically engage in long term planning to guide the country's development. Several attempts, such as *Visión CR2030*, *Estrategia Siglo XXI* and *Proyecto Bicentenario*, failed in the process of crafting a coherent vision, implementing it and evaluating its results.
- **Isolated and fragmented planning attempts:** In lieu of long-term planning, many fragmented and isolated efforts have emerged, but they too lack a common strategic reference point nor are completely aligned to the 2030 Agenda. Planning exercises such as the National Transportation Plan (2011-2035), the National Energy Plan (2015-2030) and the Intended Nationally Determined Contributions (2016-2030) share common aspects but are neither coherently integrated nor allow for strategic prioritization. Moreover, many of these efforts have not been fully implemented largely due to the absence of a monitoring and evaluation framework with an adequate quantification of the financial needs and costs of the proposed actions.
- **Uncertainty around real financing needs:** The main public investment planning mechanisms are the National Development and Public Investment Plan (PNDIP in Spanish) and the Databank of Public Investment Projects (BNIP in Spanish). The quantification of required investment for the different sectors and plans associated with the PNDIP confirms the disconnection between medium- and long-term planning (DFA).
- **Planning and financing systems do not fully take into account gender and social inclusion:** An audit carried out by the Office of the Comptroller General of the Republic, found that although the country has made progress in including gender equality (SDG 5) in planning in 64% of public services, still 74% do not consider a gender approach and only 4 of the 16 sectors of the PNDIP contain gender-related goals. Regarding financing, the country is uncertain about the estimation of the funds required for the implementation of gender equality, as well as the knowledge of the resources currently assigned to that matter. Although there are no similar studies for the inclusion of populations in situation of vulnerability (e.g. people with disabilities, indigenous people, people of African descent, migrants, refugees, among others), the trend is the same.

This context underlines the need to strengthen the financing and planning mechanisms of the public sector in order to tackle longer term, cross-cutting goals such as the SDGs and leaving no one behind.

Limitations in the results management of public spending

Costa Rica's public sector is large, fragmented, and comprising 334 institutions having grown by more than 50 institutions since 2000. This situation poses challenges to the strategic allocation of public investments, but also to the decision-making, management of results and accountability frameworks. The DFA illustrates several challenges to public investment management, especially in critical areas such as education, health and climate change. The 2015 Public Expenditure and Financial Accountability (PEFA) review graded Costa Rica with the lowest rating possible (D or D+) in 13 of the 30 indicators, and the rating of C or C+ in three other ones. A few highlights regarding the management of national public finances:

- **Attempts to move from a focus on activities to results:** Recent attempts by the government to introduce a multi-annual and results-based budgeting process are still insufficient. From 2015 onwards, the Treasury has tried to shift from the old approach where budgets were estimated from a base amount adjusted for inflation, to one guided by a strategic results-based management framework for development, but implementation is still underway and far from complete.
- **Fragmented budget allocation processes divorced from planning efforts:** The National Budget represents roughly 50% of public spending in nominal terms but represents only 33% of total public spending once transfers made by central government to decentralized institutions are accounted for. This means that 67% of total public spending is managed by the national comptroller authority, with the particularity that it does not verify if goals, objectives and results expected from decentralized institutions are achieved (DFA).

Education: The sector with the greatest potential for an improvement in the efficiency of public spending

Representing almost a third of the national budget and with a guaranteed financing of 8% of GDP per year, this sector represents a strategic starting point in the attempt to increase the efficiency and effectiveness of public spending. At the same time, it represents a critical cross-cutting area for sustainable development that leaves no one behind. Despite the considerable investment, the developmental outcomes are markedly lower than those of countries that spend less as a proportion of GDP. The improvement opportunities have been diagnosed by the OECD as part of Costa Rica's process of joining the organization, underscoring:

- Student performance in standardized tests like PISA fell short of their peers in OECD countries in reading, sciences and mathematics by an estimate of 2 years.
- Only 63% of children attend 2 years of pre-school and less than 10% of children under 4 years old have access to childcare services.
- By the end of basic education, 33% of students lack key competencies and 30% have dropped out before concluding this level.
- Around 51% of persons between 25 and 34 years of age did not reach the last two years of high school, compared with only 6% average in OECD countries.
- Less than 20% of students of STEM-related careers are women, which in turn, limits their access to the job market and the possibility to draw on the gender dividend.

Limited capacity of public, private, development and financial sector stakeholders to engage in blended finance initiatives and align efforts around national development objectives.

Complementing the DFA, a UN-led qualitative study (2019) that mapped current and potential actors of the impact investment ecosystem in Costa Rica, as well as their capabilities and initiatives, evidenced the overall lack of knowledge around blended finance instruments and results-based mechanisms, particularly in the public sector. Private actors, including companies and investors, thought of impact only in the context of corporate social responsibility and

philanthropy, while potential financial intermediaries still rely largely on traditional financial instruments, limiting the possibility of innovative solutions to integrate multiple financing resources to achieve the 2030 Agenda.

The current administration has expressed interest in exploring new financing alternatives, but it also recognizes the existing capacity gaps and the need for technical assistance. Engagement with actors from the social, financial and private sectors during the 2019 ecosystem building initiatives led by the UN system, illustrated the same gaps in these sectors, especially in blended finance instruments, results-based financing and operating mechanisms.

1.2 SDGs and targets

The JP will contribute to the improvement of the country's SDG financing architecture in order to (i) mobilize more financial resources in the medium term and (ii) increase the ability to produce the required results for the 2030 Agenda with the available resources. In this sense, the JP's impact is related to the entire Agenda rather than limited to specific SDGs.

The component that aims to improve education sector results and efficiency does so from the perspective of their results management and budgeting processes to impact many SDG 4 and some SDG 5 targets, some directly and others indirectly as the consequence of a more strategic, gender responsive and socially inclusive allocation of resources. Target 4.5 and its indicators, as well as some indicators of Target 5.c, are expected to be directly impacted by the JP, although baselines are not available for all of them. For example, indicator 4.5.3 measures the extent to which explicit formula-based policies reallocate education resources to disadvantaged populations, a major focus of the JP.

Table 1. Indicators directly impacted by the JP.

Target	Indicator	Baseline
4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable	4.5.1 Parity indices (female/male, rural/urban, bottom/top wealth quintile and others such as disability status, indigenous peoples and conflict-affected, as data become available) for all education indicators on this list that can be disaggregated	End of primary education minimum level of competence in reading: Boys/Girls: 1.02 Rural/Urban: 0.90 Low/High economic status: 0.92 End of primary education minimum level of competence in math: Boys/Girls: 0.96 Rural/Urban: 0.83 Low/High economic status: 0.64
	4.5.3 Extent to which explicit formula-based policies reallocate education resources to disadvantaged populations.	There is no baseline, but the goal would be to include this indicator in the results management framework of budgeting decisions in MEP.

situations	4.5.4 Education expenditure per student by level of education and source of funding	(2018) Government expenditure per student (PPP\$) <ul style="list-style-type: none"> • Primary education student: \$3,675 • Secondary education student: \$3,730 The goal would be to include this indicator in the results management framework of budgeting decisions in MEP as a measure of evolution in efficiency.
5.c Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.	5.c.1 Costa Rica has systems to track and make public allocations for gender equality and women's empowerment	There is no baseline, but the goal would be to include this indicator in the results management framework of budgeting decisions in MEP.

SDGs Indirectly Impacted by the JP

Other SDG targets are expected to be positively impacted by better results management and budgeting processes, although not in a direct manner. For example, it is reasonable that results-based, gender responsive and socially inclusive budgeting decisions can improve outcomes in education in terms of access (target 4.1 and 5.6) and quality (target 4.4). Likewise, by defining an integrated financing strategy and strengthening the capacity of key ecosystem stakeholders to engage in collaborative solutions, it can be argued that a medium term consequence will be the strengthening of domestic resource mobilization (target 17.1), the mobilization of more financial resources (target 17.3), the enhancement of targeted capacity building (target 17.9), and the development of public-private and civil society partnerships (target 17.17) to address national development challenges and the SDGs. Because of the indirect nature of the impact of the JP over the mentioned SDG targets, no baseline is provided as it will be difficult to measure progress in these indicators during the 2-year implementation period.

Systemic Interactions with other SDGs

Because of the long-term influence that education has over poverty, work opportunities, economic and gender equality, improving the capacity of the education sector to produce and manage better results and outcomes can also have a spillover effect over other SDGs. For instance:

- **SDG 1:** Poverty in Costa Rica has been stagnant at 21%. Increased equality, access and quality in education can become a catalyst to reduce poverty with a particular focus on women, children, adolescents and youth in rural areas and from specific groups such as indigenous and Afrodescendant populations.
- **SDG 5:** Many of the causes of gender inequality are rooted in early socialization stages, thus including a gender perspective in education strategies can generate the required changes to achieve equality. Although gender parity has been achieved in primary and secondary education enrollment (with girls showing a slight advantage), the 2019 Report on the State of the Education Sector (CONARE) evidenced a consistent gender gap in

terms of participation in STEM careers, where women account for only 20%. Also, even though more women graduate every year from high school, less are being effectively incorporated in the job market than men, illustrated in the higher rate of women's unemployment (16.7%) compared to that of men (9.6%).

- **SDG 8:** One of the main outcomes of the education process is higher rates of labor market insertion, therefore increases in the quality and relevance of skills development in students can lead to better employment opportunities.
- **SDG 10:** Education is a decisive factor in breaking intergenerational poverty and social inequality by leaving no one behind. However, in Costa Rica more than 60% of the poorest persons between 18 and 24 years old have not completed high school, compared to 20% of the richest. Equity-focused budgeting should result in greater protection of and less inequality amongst the most disadvantaged.

1.3 Stakeholder mapping and target groups

The main stakeholders of the joint programme are summarized as follows:

Ministry of Planning and Economic Policy (MIDEPLAN): Oversees the coordination of all sectoral interventions and activities that contribute to the achievement of the national goals and outcomes, and coordinates efforts for the effective implementation of the 2030 Agenda and the elaboration of the National Voluntary Reports. As the lead authority in public planning, and ongoing participant in the central government initiative to implement results-based budgeting, MIDEPLAN will sit on JP Country Steering Committee. It also ensures that planning and financing processes in the Ministry of Public Education are in line with the PNDIP, the SDGs and other long-term goals. MIDEPLAN will also approve the new results-based budgeting programme structure for MEP currently supported by the IDB.

Ministry of Public Education (MEP): Is a key counterpart in the second component of the JP and oversees the pilot project for the implementation of results-based budgeting. The JP builds on the ongoing initiative to implement results-based management and budgeting in several ministries, including the MIDEPLAN, MEP and the Ministry of Justice. Coinciding with the end of the design stage of the new budgeting program structure (with IDB support), the MEP is now in need of support for the implementation phase which will be prioritized through the JP. MEP has participated in the design of this JP to ensure that it is line with established priorities and complementary to on-going efforts. MEP will play a key role in oversight, implementation, monitoring and evaluation of the results of the JP and will be an important member of the Country Steering Committee.

National Institute for Women (INAMU): As the national governing body for gender equality, it has been promoting the inclusion of the gender perspective in budgeting and planning. Furthermore, it leads the execution of the recommendations made by the Office of the Comptroller General of the Republic regarding the implementation and budgeting of SDG 5 at the governmental level. INAMU coordinates the implementation of the Effective Equality between Men and Women Policy (PIEG, 2018-2030) and the National Policy for the Care and Prevention of Violence Against Women. INAMU will also conform the Country Steering Committee to ensure proper inclusion of the gender perspective and to ensure that the JP contributes to the reduction of gender inequality.

Treasury (Ministerio de Hacienda): Will participate in the Country Steering Committee both because of its interest in the implementation of results-based budgeting as well as its relevance in the design of the financing strategy part of the INFF component of the JP.

2. Programme Strategy

2.1. Overall strategy

The JP aims to improve Costa Rica's SDG financing architecture by: (i) creating conditions to develop an integrated strategy to align the public sector's planning and financing systems with other financing flows, especially private and development resources, and (ii) improving governmental capacity, through a focus on the education sector, to strengthen management and accountability to generate SDG 4 and some SDG 5-related results, with a strong focus on gender responsiveness and social inclusion. This overarching goal will be achieved through three strategic areas of intervention:

1. **Continue building the road towards an Integrated National Financing Framework (INFF):** Building on the DFA and the identified gaps towards the financing of the SDGs, the focus will be on developing a strategy to guide policy decisions to align planning and financing processes and to mobilize multiple sources of investment. This will be supported by an analysis of the regulatory bottlenecks, providing recommendations as well as advocacy for the necessary reform.
2. **Increasing efficiency and alignment with results in public spending through the implementation of a results- and gender-based and inclusive budgeting in the education sector:** Whilst mobilizing more resources is critical, the ability to achieve greater spending efficiency to deliver the necessary results to achieve the SDGs is equally critical. Consequently, the second area focuses on optimizing the ability of the education sector to improve its results management framework and budgeting processes, specifically in terms of its connection to long-term goals. The JP focuses on education for three reasons: (i) It is the sector with high levels of guaranteed investment (8% of GDP) but suffering from underperformance, making it ideal for optimization. (ii) Improving the management and budgeting framework should lead to enhanced results associated with SDG 4, and some indicators of SDG 5, that will in turn produce important spill-over effects in other SDGs. (iii) The MEP is currently engaged in the design stage of a project to design and implement results-based budgeting, supported by the IDB, and the JP will be strategic to support the ministry in the implementation phase.
3. **Strengthening the SDG financing ecosystem through multi sector dialogues and capacity building:** Based on identified capacity gaps regarding results and impact management and blended finance instruments among key stakeholders in the public, private, financial sectors as well as in the UN System, the JP will promote collaboration through dialogues and building institutional capacities on blended financial strategies and results-based mechanisms, including in the education sector.

This JP is **transformational and different** and positioned to generate high impact for three reasons:

1. **Solid starting point:** The existing DFA represents a comparative advantage for the JP because it provides a clear diagnosis and key entry points for intervention. The JP also benefits from the efforts implemented throughout 2019 by the UN to strengthen the impact investment ecosystem where dialogues between sectors were facilitated by a steering committee that currently includes the participation of IDB, Crusa Foundation, Aliarse Foundation and the Directorate of International Cooperation of the Ministry of Foreign Affairs. Additionally, a diagnosis of key ecosystem players and their capacities was performed, complemented by capacity building initiatives specifically for the Central American Bank for Economic Integration (BCIE) and the municipal government of Curridabat.

2. **Integral and innovative approach:** The three-pillar approach will create conditions to make progress at national, sectoral and ecosystem levels, by innovatively addressing the complexity of implementing solutions. While the road to an eventual INFF addresses the structural and regulatory issues and delineates a strategy at the national level, the implementation of results-based budgeting with a gender and social inclusion perspective in the education sector will enable institutional reform whilst also demonstrating the value to implement similar exercises in other sectors. The efforts to improve the financing ecosystem will focus on establishing the structural conditions for multiple sectors to convene around financing solutions that will accelerate the implementation of the SDGs and national development goals.
3. **Government ownership:** The JP programme converges with the results-based budgeting initiative that has the necessary political backing and the technical support for the design phase from IDB, and also presents an excellent opportunity to quickly transition to the implementation phase.

How does it accelerate progress towards the SDGs?

From the financing perspective, the JP will support government to construct an integrated vision of development financing through stronger alignment of public sector institutional priorities, policies and financial frameworks with the 2030 Agenda, thereby opening the potential to strategically redirect investment for faster progress towards the SDGs. The co-leadership with MIDEPLAN as the secretariat of the 2030 agenda represents tremendous potential for multiplication. In addition, the MEP will be supported to strengthen its results-based, gender responsive and socially inclusive budgeting and results management framework to position the SDGs and relevant indicators at the center of their management and financial dashboards.

Why the UN and how does it relate to the national priorities?

The UN in Costa Rica was instrumental in the signing of the first national pact in the world on the 2030 Agenda with public and private stakeholders, and in establishing SDG governance structure at national level. This is complemented by several years of involvement in development finance, including the important milestone of producing the first DFA in the LAC region in 2018-2019, which represents a comparative advantage for the JP. Furthermore, the JP is directly in line with two of the three strategic priorities of the UNDAF 2018-2022 (refer to section B3 for details).

The JP also aligns with a current priority in the PNDIP for the central government and the MEP to implement results-based budgeting, thus increasing the probability of simultaneously securing high-level engagement and ownership by public sector counterparts as well as long-term continuity. The results and outcomes of the JP are clearly linked to national priorities, which improves the likelihood of continued implementation by the current and future government administrations. Successfully implementing results-based budgeting with a gender and social inclusion perspective in a key sector such as education, can establish a powerful precedent and lessons to subsequently replicate the model to other sectors.

What is expected at the end of the joint programme?

The JP will secure the development of a financial strategy and the identification of the necessary regulatory reforms to bring Costa Rica's public institutions closer to implementing an INFF with a focus on leaving no one behind. At the level of the MEP, the JP will have contributed to the design of results indicators that will place relevant SDGs at the forefront of their management and budgeting processes and systems with an enhanced gender and social inclusion perspective. At the ecosystem building level, the JP is expected to contribute a working platform where public, private and development stakeholders can identify investing opportunities and articulate efforts around a shared understanding of blended finance and results-based models.

2.2 Theory of Change

The hypothesis that underpins the JP is that achieving the SDGs relies not only on mobilizing and aligning more sources of capital, but also on improving results and impact management to ensure that all available investments are contributing their maximum to sectoral and national development goals and focus on leaving no one behind. If multi-stakeholder financing strategies, like blended finance and impact investment, can provide increased financial resources, then the optimization of results management and budgeting processes should guarantee that this financing will produce desired outcomes in line with national priorities and the SDGs. Facing increasingly restrictive national budgets and in the process of integrating more sources of capital, the accountability on the social or environmental return on investment becomes increasingly more important. Be it development funds, philanthropic capital or impact investment, all stakeholders are expecting a focus on results.

Start in the public sector: Although all actors in the ecosystem can and should play a role in the development and implementation of blended finance solutions, the public sector retains the greatest potential to accelerate change the most, given the sheer volume of investment it manages and its ability to establish the rules of engagement through policy and regulation. In the JP's task of upgrading architecture and systems, the best starting point is, therefore, the way in which the government plans, budgets and accounts for results related to long term goals such as the SDGs.

The JP seeks to create enabling conditions to improve the country's SDG financing architecture in two key aspects:

- Finding country-specific solutions to mobilize and align private and development resources in the short- and medium-term with planning processes towards long-term national development goals.
- Improved ability to generate and manage SDG-linked, gender responsive and socially inclusive results to make the most out of the available funding in the education sector, through the implementation of results-based budgeting.

1. Integrated financing strategy to mobilize and align private and development resources with national development goals: There are many international precedents and good practices in terms of blended finance instruments or results-based mechanisms, but only a careful analysis of the country-specific conditions and regulatory landscape can yield the best alternatives. The JP builds on the DFA to identify potential entry points for the financing strategy, by designing and implementing actions to significantly increase domestic and external private investment in the short and medium term and by making regulatory analyses and reform recommendations one of its key interventions. This will entail:

- Support the analysis, design and implementation of actions to significantly increase domestic and external private investment in the short and medium term.
- Actions designed to increase the quality and availability of financing (public and private, domestic and external) for these investments.
- Support the introduction of new financing instruments in the short term.

2. Improve results in one sector (education), then go to scale: In a context of fiscal constraints and growing deficits, Costa Rica faces the challenge of sustaining historically important achievements in the social sector whilst also demonstrating that public spending can still produce better results, which is why strengthening results and impact management capacity is a top-line priority of the current administration. The existing initiative to implement results-based budgeting throughout the central government started in 2016 and although progress has been slow, it is clearly a priority. Specifically, in the MEP, the IDB financially backed the redesign of a new budgetary program structure based on results, which soon will begin its implementation

stage and for which MEP will require financial and technical support in the implementation phase. This JP provides an opportune entry point to align the interests of MEP, IDB, central government and the UN. Given the limited two-year timeframe, the contribution of the JP to the implementation of the results-based, gender responsive and socially inclusive budget in the education sector will be focused on four convergent sets of activities:

1. Backcasting analysis for the achievement of main SDG targets in education.
2. Defining a set of SDG-tagged indicators to account for the desired results in the administration's four strategic areas: quality, efficiency, inclusion and innovation.
3. Design or adaptation of processes for data gathering and analysis, along with the corresponding alignment with existing IT systems.
4. Analysis of regulatory constraints in order to implement the newly designed budget program structure and eventual results-based financing mechanisms such as outcome-based contracting or social impact bonds.

The improved ability to manage and account for results will enable the education sector to access many forms of innovative financing. From outcomes-based contracting and social impact bonds to results-based loans, the common underlying requirement is the need for greater clarity on what constitutes results and how they are accounted for, and this is an area of improvement that the JP will strengthen. The long-term expectation is that a more efficient, gender responsive and socially inclusive management of financing in education will contribute to increased coverage, quality and inclusion within the sector.

Develop ecosystem conditions through capacity building and dialogue: It is clear that in order to design and eventually implement any new financing strategy, blended instruments or results-based mechanisms, it is crucial to strengthen the corresponding institutional capacities of participating stakeholders. The JP will therefore focus on two strategic actions:

- Convening a collaborative platform to foster dialogue, conceptual alignment, sharing of best practices, as well as identification of potential joint initiatives.
- Comprehensive capacity building to address existing gaps tailored to the needs of three distinctive audiences: public sector, key ecosystem players from private and public financial sectors and the UN system.

Theory of Change Assumptions

- The electoral period and expected government transition in 2022 will not substantially modify the commitment that government officials have expressed with the JP.
- The novel Coronavirus pandemic will neither generate significant distractions within the central government nor trigger an economic contraction that further deepens the country's fiscal crisis.
- The central government commitment to the 2030 Agenda and leaving no one behind will not change even in the current context.
- MEP is able to obtain approval from MIDEPLAN to implement the new results based budgetary program structure recommended by the IDB.
- MEP is able to implement the recommended changes to its organizational structure.
- Institutional and cultural resistance to change does not significantly hinder the implementation of the results-based budgetary program structure.
- Current gender equality policy continues to receive the necessary high-level political support.

Desired situation: The Costa Rican government has an integrated vision of financing its development priorities by better aligning institutional priorities, policies and financial frameworks with the 2030 Agenda, with the potential to strategically direct investment for a faster progress on the SDGs. Simultaneously, the MEP has strengthened its results-based, gender responsive and inclusive budgeting and management framework to place the SDGs at the centre of management and financial dashboards.					
By 2022, the Costa Rican government has progressed in building an integrated vision of development financing, implementing planning processes that align public funding & private investment, with the national priorities & the 2030 Agenda.			By 2022, Costa Rica's Ministry of Public Education effectively manages the results and impact of its public investment aligning its budgeting decisions and operational processes to SDGs and long-term country goals.		
Medium term changes					
Country-specific policy measures are implemented to align public financing with private investment and development cooperation in line with long term goals.	Actors from the private, social and financial sectors are capable of engaging with the public sector in blended finance solutions.	Results can be measured and managed and inform strategic budgeting decisions in MEP.	MEP planning processes incorporate long-term goals and financing needs are made explicit.	The use of data and evidence of what works is routinely used to make budgeting decisions at MEP	Regulatory reform enables results-based financing and operating models in MEP.
Interventions					
The JP seeks to create enabling conditions to improve the country's SDG financing architecture through two key strategic interventions:					
<div>1. Supporting the government to progress in building an integrated vision of financing for development, implementing measures to align national planning instruments with available financing flows (public and private) and ensuring the incorporation of the gender perspective.</div> <div>2. Improving the ability to generate and manage SDG-linked, gender responsive and socially inclusive results to make the most out of the available funding in the education sector, through the implementation of results-based budgeting.</div>					
<div>- An integrated financing strategy to mobilize and align private and development resources with national development goals.</div> <div>- Development and design of a National Strategy for Financing for Development and its respective action plan with a gender perspective.</div> <div>- Design of an inter-institutional, intersectoral and multi-level mechanism that strengthens national governance in financing for development.</div>			<div>- Alignment of budgeting decisions and operational processes of the Ministry of Education to SDGs 4 and 5 and long-term country goals.</div> <div>- implementation of the results-based, gender responsive and socially inclusive budgeting in the education sector.</div>		
ToC assumptions:					
<div>- The electoral period and expected government transition in 2022 will not substantially modify government commitment to the JP.</div> <div>- The coronavirus pandemic will not generate significant distractions within the central government nor trigger an economic contraction.</div> <div>- The occurrence of disasters of natural origin will not impact public finances and the redefinition of priorities.</div> <div>- Incoming public sector reform bill will not generate unrest among unions and overall public discontent.</div> <div>- In-country PUNO's evolving expertise in public financing and management will not slow down the process.</div> <div>- MIDEPLAN will approve the MEP's new results based budgetary program structure recommended by the IDB consulting team.</div> <div>- MEP is able to implement the recommended changes to its organizational structure.</div> <div>- Institutions do not face regulatory barriers that could affect a reform to enable the use of new tools for financing for development.</div>					
Current situation: Costa Rica has several shortcomings in public finance management & planning obstruct aligning public spending with the SDGs: lack of long-term planning; isolated & fragmented planning attempts; uncertainty around real financing needs; planning & financing systems do not fully take into account gender and social inclusion; limited capacity of public, private, development & financial sector stakeholders to engage in blended finance initiatives around national development objectives. Furthermore, public investment in education has not translated into improvements in educational outcomes and attainments, showing inequalities between different population groups. Education is thus not fulfilling its potential to boost sustainable economic growth and social cohesion.					

2.3 Expected results by outcomes and outputs

The long-term change sought by the JP is the permanent improvement of Costa Rica's SDG financing architecture to meet the challenge of the 2030 Agenda. This general aim is supported by two main outcomes and the following outputs:

Outcome 1: By 2022, the Costa Rican government has made progress in building an integrated vision of financing for development, implementing measures to align national planning instruments with available financing flows (public and private) and ensuring the incorporation of the gender perspective.

- **Output 1.1:** By 2022, a National Strategy for Financing for Development and its respective action plan developed and designed with a gender perspective. (UNICEF and UNFPA)
- **Output 1.2:** By 2022, an inter-institutional, intersectoral and multi-level mechanism that strengthens national governance in financing for development is designed. (UNICEF)

Outcome 2: By 2022, Costa Rica's government effectively manages the results and impact of its public investment aligning its budgeting decisions and operational processes to SDGs and long-term country goals.

- **Output 2.1:** By 2022, MEP has developed and is using a results-based management framework for increased and improved investment in the education sector. (UNFPA and UNESCO)
- **Output 2.2:** By 2022, MEP has developed the capacity to identify financing gaps and needs for achieving SDG 4 with gender perspective and social inclusion. (UNICEF and UNESCO)
- **Output 2.3:** By 2022, MEP has strengthened its data gathering, analysis and monitoring structural capabilities to track results and progress towards SDGs with a gender and social inclusion perspective. (UNESCO)
- **Output 2.4:** By 2022, MEP has undertaken necessary policy, regulatory and administrative reforms to support results-based financing and operating models for improved educational investment performance with gender perspective and social inclusion. (UNESCO)

Outcome 3: By 2022, the resources of the JP have been fully and efficiently implemented with a focus on value for money and constant consultation with all involved PUNOs.

- **Output 3.1:** By 2022, the JP has an established coordination and administrative function, has implemented the final evaluation and has guaranteed the development of all monitoring reports and execution of the communication and learning plans. (UNICEF)

Expected impact as of 2022: The JP is geared towards generating structural changes in the way the public sector plans, finances and accounts for results regarding the national priorities that are aligned to the 2030 Agenda and the principle of leaving no one behind. Clearly, these changes will not depend entirely on the JP and will probably require a longer timeframe, however, there are technical capacity gaps in the public sector that the JP can address in a manner that accelerates progress towards those structural changes.

By working together with the Treasury and the MIDEPLAN towards an INFF and in proposing a financing strategy, the JP expects that by 2022 the Costa Rican government possesses enhanced capacities regarding blended finance mechanisms and integration of private and development sources of capital, but is also able to identify concrete projects to pursue these financing strategies supported by an implementation roadmap. The JP's focus on capacity

development and improving planning processes intends to upgrade the methods that the public sector uses to finance national development priorities and SDGs, with the expectation of lasting impacts beyond 2022.

Similarly, the deep dive in the education sector to implement gender responsive and socially inclusive results-based budgeting practices serves as an upgrade of methods and capacities in a way that will be sustainable beyond the completion of the JP in 2022. Including equity and gender criteria will enhance budgeting decisions towards equality, while SDG tagging will align the allocation of resources to long term goals that are currently supported but still disconnected from the ministry's budgetary decisions. Even if by 2022 all necessary changes not under the responsibility of the JP, such as the organizational restructuring, have not taken place, co-developing and delivering a results management framework, a preliminary design of processes to gather and analyse the proposed indicators and concrete recommendations of normative reforms will still be valuable outputs towards implementing the new budgeting structure.

2.4 Budget and value for money

The budget requested of the JP to the SDG Fund is USD \$1,000,000 and, in addition, the PUNOs will provide technical assistance and other inputs equivalent to the amount of USD \$428,560.

Part of the funds for the JP will be invested for the government to strengthen the SDG financing ecosystem and thus create favorable conditions for leveraging additional resources and blended finance. By doing so, at the end of the JP the government will have a financing strategy and its action plan that will provide a clear guidance on future interventions to increase resource mobilization and finance national priorities.

Another part of the budget will be invested to increase the efficiency, effectiveness and results-based management in the education sector in order to achieve greater value for money in public spending. By applying a gender and social inclusion perspective, the JP will also ensure that public investments reduce gender and equity gaps in the education sector.

The long-term financial sustainability of the efforts is guaranteed by linking the proposed interventions and expected outcomes to national priorities and initiatives such as the implementation of results-based budgeting. This will address a recommendation made by the OECD during the evaluation process for Costa Rica's incorporation to the organization, which is a governmental priority and has been determined to be state policy.

The proposal is directly focused on promoting gender equality social inclusion of vulnerable populations, which means that 30% of the budget is allocated directly towards promoting gender responsive budgeting and accelerating gender equality and women's empowerment through education. While girls in Costa Rica usually achieve higher levels of education than boys, this does not necessarily translate into gender equality seeing that women are disproportionately affected by poverty due to persistent discrimination and traditional discriminatory gender roles and stereotypes. The JP applies a gender perspective to education investment by promoting the design and implementation of social inclusion and gender responsive budgeting, which will address equal empowerment through education consistent with the principles of the Education 2030 Agenda.

The operational modus operandi of this JP has been designed to generate the greatest return on investment by bringing together the comparative advantage of three well-known UN agencies in the field of public financing, both at the macro and education sectoral levels. In

the process of formulating the proposal, three alternatives were considered that could also generate important results, but with some drawbacks on integrality, intersectorality, impact and efficiency. (i) The funds could be channeled directly to key implementing partners in government using a project coordination mechanism to oversee the implementation of the funds. This particular modality would benefit implementing partners directly because they would be more in control of implementation but would not necessarily benefit from the expertise of the three agencies. (ii) The funds could be managed as direct budgetary support implying that the resources would be comingled with other resources, which may make it difficult to measure attribution and contribution of the UN system to results. (iii) The funds could be channeled directly to each of the three UN agencies to implement specific activities on a bilateral basis with their national and sectoral counterparts, which means losing the combined comparative advantages and technical knowhow that accrue from the implementation modality of the JP. None of these options outweighs the proposed JP approach whereby three UN agencies working together responds to the UN reform mandate of more horizontal integration and value-added through a multidimensional focus on social inclusion, gender responsiveness and results-based frameworks.

2.5 Partnerships and stakeholder engagement

This proposal builds on the DFA that the Government of Costa Rica and the United Nations have been undertaking during the past two years. To oversee that process, a DFA Oversight Team was established under the overall leadership of MIDEPLAN together with the Ministries of Finance and Foreign Affairs. It is expected that this team, together with new counterparts identified in this proposal, will continue playing a relevant role in the JP.

The DFA was born as a joint initiative of the UNCT, supported by the former DOCO Innovation Fund, and mobilizing the involvement of the entire system since 2017. The international community in the country has shown interest in the DFA and the final report is scheduled to be officially presented to all stakeholders during the course of 2020. All UNCT members are represented on the Secretary-General's Inter-Agency Task Team, chaired by UNDESA, to follow up on the Addis Ababa Action Agenda for financing the SDGs, which identified the need for countries to work on integrated approaches to financing development across public and private sectors. In addition to the agencies, the Economic Commission for Latin America and International Financial Institutions such as the IMF and the World Bank are part of the Task Team. Therefore, the UNCT in Costa Rica can mobilize expertise from across the United Nations Development System at different levels.

The PUNOs involved in this JP will pool and mobilize expertise at regional and global level. UNESCO will work closely with its specialized institutes such as the Institute for Statistics (UIS) and the International Institute for Educational Planning (IIEP). The UIS is the official source of internationally comparable data on education and produces a wide range of indicators in education in collaboration with national statistical offices, line ministries and other statistical organizations. It produces the data to fuel the policies and investments needed to transform education and advance towards achieving SDG 4. The IIEP has vast experience developing national capacities to design and implement education policies and plans. Both institutes are engaged in financing of systems and plans in the education sector, with a focus on financing data and macro-level financing frameworks for the education policy options developed by countries.

UNICEF will access specialized technical assistance from its global and regional Education and Public Finance for Children (PF4C) teams. UNICEF's work in education is predicated on the concepts of equity, quality and leaving no one behind, whereby all children have access to free quality education, stressing the use of data and evidence-building to improve its

programme implementation and to advocate for policy change with an equity and efficiency perspective. The JP will benefit from a wide array of case studies, research and global lessons learned on how to systematically strengthen evidence generation processes in the education sector, especially through innovative interventions; support the production of robust data and analysis at country level, through initiatives such as capacity strengthening of Ministries of Education; and progressing towards results-based management to improve programming and implementation. The PF4C global team supports country offices in their efforts to influence the transparency, quality and adequacy of public investments for children so that they can better guide national counterparts in the design of budgetary frameworks and public financial management processes.

UNFPA will work closely with its Regional Office that will provide specialized technical advice on the implementation of the 165 Million Reasons Regional Initiative to invest in adolescence and youth in Latin America and the Caribbean, the conclusions and recommendations of which will contribute to the development of the JP. Furthermore, recent studies to estimate the socioeconomic impact of adolescent pregnancy and motherhood in Latin American and Caribbean countries (MILENA Methodology), will benefit this JP, particularly with the analysis of how national investments in gender and youth issues can affect national indicators and the educational curricula. UNFPA will also benefit from the global and regional expertise on SDG indicators, the population analysis and the emerging trends in the region, such as the gender dividend. Furthermore, UNFPA's Regional Office works with ECLAC-CELADE on the analysis of population censuses and supports the planning of education budgets based on the most probable population projections, during which particular attention will be given to adolescent girls when making that analysis.

In terms of the implementation of the budget, the JP builds on the existing initiative led by the MEP and supported in its initial design stage by the IDB. Within MEP, the institutional liaison will be the Viceministry of Institutional Planning along with a task force setup specifically for the project, which consists of the Directorates of Legal Affairs, Finances, Human Resources and Internal Cooperation. There will be considerable coordination with the MIDEPLAN and the Treasury, both involved in the broader initiative to introduce results-based budgeting in central government as key stakeholders in any future budget structure design.

Finally, UNCT maintains excellent relations with the SDG fund donors that are present in Costa Rica – Spain, Switzerland, Netherlands, European Union and others. The UNCT led by the Resident Coordinator convenes, on a regular basis, a development partners group with all embassies and development partners present in the country. Throughout the implementation of the JP, in addition to more formal meetings, the Resident Coordinator will provide interested donors with regular updates as well as opportunities for Joint SDG Fund donors to discuss JP implementation details with government counterparts.

3. Programme implementation

3.1 Governance and implementation arrangements

This JP will be implemented by three resident PUNOs in Costa Rica whose combined expertise and comparative advantages in education, public financing and gender will guarantee a high potential for successful implementation of results: the United Nations Education, Science and Culture Organization (UNESCO); the United Nations Children's Fund (UNICEF); and the United Nations Population Fund (UNFPA). The collective experience of these agencies in strengthening national and sectoral capacities in results-based financing mechanisms, as well as in programme planning and public policy development, implementation, monitoring and evaluation with a strong emphasis on reduction of disparities, strengthening the gender focus

and increasing levels of social inclusion, is a pivotal comparative advantage. The RCO will support its implementation through its technical capacities.

UNESCO is the UN System's specialized agency for education and global lead agency for SDG 4 and its mandate covers all levels and aspects of education and learning. UNESCO supports national education authorities in developing robust and coherent education policies and strategies and in managing their effective implementation. UNESCO manages simulation models of policies and sector plans to estimate the resources needed for their implementation, and supports countries in developing technical capacities in results-based budgeting. UNESCO is responsible for global monitoring of education indicators and supports countries worldwide in producing quality data to help governments understand how funds are disbursed, which population groups are disadvantaged in terms of access to financing, where potential gaps are and measures to improve spending efficiency. In Costa Rica, UNESCO coordinates the inter-agency task force on education, which includes other UN agencies, to support the MEP through joint activities focused on inclusion and quality.

UNICEF has ample experience in strengthening national education and early childcare systems and has developed a strong profile in financing, including advancing the Public Finance for Children strategy, which includes four pillars: (i) evidence generation to improve investments in childhood; (ii) budget design processes to improve outcomes of public spending in childhood; (iii) empowerment of civil society to participate in monitoring of public investment in childhood; and (iv) opportunities to widen fiscal space to channel national resources towards childhood. In Costa Rica, UNICEF's focus is on reducing educational exclusion, and has been one of the main counterparts of the MEP in developing the national educational exclusion strategy. Recently, it has collaborated with the National Institute of Learning to implement a program to reduce educational exclusion in the learning programs that the institution offers to youth.

UNFPA's mission is to deliver a world where every pregnancy is wanted, every childbirth is safe and every young person's potential is fulfilled. UNFPA is aptly positioned to identify and link the acceleration effect that sexual and reproductive health rights (SRHR) has on the overall sustainable development agenda. UNFPA has extensive experience in the promotion of comprehensive sexual education and supported MEP's current Programme of Sexuality and Affectivity. UNFPA has experience developing costing methodologies that have supported governments to analyze financing needs, concerning SRHR and other areas. In Costa Rica UNFPA has undertaken research that sheds light on public investment in youth and has also developed a diagnostic tool in 2011, the [Population Situation Analysis](#), which is an integrated appraisal of population and reproductive health dynamics and their impacts on poverty, inequality and development. This analysis establishes the interactions between individual behavior and demographic dynamics and their connections with broader national development priorities.

MIDEPLAN will be the national institution overseeing the JP, with the co-lead of the Ministries of Public Education and Finance and the National Women's Institute. The JP will be integrated as a regular agenda item of the National Consultative Committee, the highest level of the national governance system for the 2030 Agenda, which includes, in addition to the JP stakeholders, PUNOs and the rest of the UNCT, the three state powers, civil society, faith-based organizations, academia, trade unions, municipalities and the private sector.

With the support of the Resident Coordinator Office (RCO), UNICEF and UNESCO will lead and co-lead, respectively, the implementation of the JP. The three PUNOs, with technical support of the RCO, will provide high quality technical assistance to national stakeholders involved in the JP and implement actions aimed at creating the enabling environment to further advance

the implementation phase of the DFA and of the specific activities related to the education sector financing framework. In line with the UN system reform agenda, the recently established Partnerships and Development Financing and Economist positions will support the implementation of the JP.

The JP will operate under the guidance of two governance structures: The **Country Steering Committee** and the **Technical Programme Management Committee**. The Country Steering Committee, co-chaired by MIDEPLAN and the UN Resident Coordinator, will ensure the strategic direction of the JP, meet twice per year and will be comprised of high-level representatives of the Ministries of Public Education and Finance as well as the National Institute of Women, the three PUNO Country Representatives and CSOs, academia and private sector organizations associated with the JP. This committee will monitor JP progress and identify corrective solutions to identified bottlenecks and constraints to implementation, as well as approve monitoring reports required for the SDG Fund.

The Technical Programme Management Committee will respond directly to the Country Steering Committee and will be comprised of the Vice Ministers of the key institutions, as well as the technical focal points for the JP of each PUNO, and the RCO. It may draw on other government institutions, partners and UN agencies for specific issues of relevance to the JP. This committee will focus on regular planning, monitoring and updating of the JP, and will be coordinated and convened by the Ministries of Planning and Public Education, with the secretariat provided by UNICEF and UNESCO, and additional support provided by the RCO.

To further strengthen the innovative nature of the JP, an **Innovation Co-creation Space** will be convened to connect ongoing innovative and design thinking efforts at country level with public and private partnerships. This space will operate within the Country Steering Committee and will support the three PUNOs and their respective activities and outputs within the context of the Technical Programme Management Committee. Each agency will designate technical experts to support the implementation of outputs and activities in the JP and may draw on the expertise of their regional and global subject matter experts.

The JP will be integrated in the UNDAF's workplan and in the agenda of the UN Programme Management Team (PMT), providing regular reports to the UN Country Team (UNCT). In accordance with UN reform, the RCO will be responsible for leading efforts to achieve coherent implementation and effective and efficient coordination of the agencies directly or indirectly involved, as well as linking with existing dialogue spaces.

3.2 Monitoring, reporting and evaluation

Reporting on the Joint SDG Fund will be results-oriented, evidence based and will incorporate a gender and social inclusion perspective. Each PUNO will provide the Lead Agency with the following narrative reports based on instructions and templates developed by the Joint SDG Fund Secretariat:

- *Annual narrative progress reports*, to be provided no later than one (1) month (31 January) after the end of the calendar year, and must include the results matrix, updated risk log, and anticipated expenditures and results for the next 12-month funding period;
- *Mid-term progress review report* to be submitted halfway through the implementation of Joint Programme¹; and

¹ This will be the basis for release of funding for the second year of implementation.

- *Final consolidated narrative report*, after the completion of the joint programme, to be provided no later than two (2) months after the operational closure of the activities of the joint programme.

The Lead Agency will compile the narrative reports of PUNOs and submit a consolidated report to the Joint SDG Fund Secretariat, through the Resident Coordinator.

The Resident Coordinator will monitor the implementation of the joint programme, with the involvement of Joint SDG Fund Secretariat to which it must submit data and information when requested. As a minimum, joint programmes will prepare, and submit to the Joint SDG Fund Secretariat, 6-month monitoring updates. Additional insights (such as policy papers, value for money analysis, case studies, infographics, blogs) might need to be provided, per request of the Joint SDG Fund Secretariat. The JP will allocate resources for monitoring and evaluation in the budget.

Data for all indicators of the results framework will be shared with the Fund Secretariat on a regular basis, in order to allow the Fund Secretariat to aggregate results at the global level and integrate findings into reporting on progress of the Joint SDG Fund.

PUNOs will be required to include information on complementary funding received from other sources (both UN cost sharing, and external sources of funding) for the activities supported by the Fund, including in kind contributions and/or South-South Cooperation initiatives, in the reporting done throughout the year.

PUNOs at Headquarters level shall provide the Administrative Agent with the following statements and reports prepared in accordance with its accounting and reporting procedures, consolidate the financial reports, as follows:

- Annual financial reports as of 31st December each year with respect to the funds disbursed to it from the Joint SDG Fund Account, to be provided no later than four months after the end of the applicable reporting period; and
- A final financial report, after the completion of the activities financed by the Joint SDG Fund and including the final year of the activities, to be provided no later than 30 April of the year following the operational closing of the project activities.

In addition, regular updates on financial delivery might need to be provided, per request of the Fund Secretariat.

The JP will be subjected to a final, independent and gender-responsive² evaluation that will be organized by the Resident Coordinator, the cost of which is included in the JP budget and, in the event that there are no remaining funds at the end of the JP, it will need to be costed by the PUNOs. The final evaluation will be managed jointly by PUNOs and will follow the United Nations Evaluation Group's (UNEG) Norms and Standards for Evaluation in the UN System, using the Joint Evaluation and relevant UNDG guidance on evaluations. The management and implementation of the joint evaluation will be in compliance with the evaluation policies of PUNOs, will involve all stakeholders and partners and its results will be widely and officially disseminated. Where required, a joint management response will be

² [How to manage a gender responsive evaluation, Evaluation handbook](#), UN Women, 2015

produced upon completion of the evaluation and made publicly available on the evaluation platforms of the PUNOs.

3.3 Accountability, financial management and public disclosure

The Joint Programme will use a pass-through fund management modality where UNDP's Multi-Partner Trust Fund Office will act as the Administrative Agent (AA) under which the funds will be channeled for the Joint Programme through the AA. Each Participating UN Organization receiving funds through the pass-through has signed a standard Memorandum of Understanding with the AA.

Each PUNO shall assume full programmatic and financial accountability for the funds disbursed to it by the AA, ensuring that funds administration will occur in accordance with its own regulations, rules and procedures. Each PUNO shall establish a separate ledger account for the receipt and administration of the funds disbursed to it by the AA.

Each PUNO will establish indirect recovery costs at the rate of 7%. All other costs incurred by each PUNO in carrying out the activities for which it is responsible under the JP will be recovered as direct costs. Funding by the Joint SDG Fund will be provided on an annual basis, upon successful performance of the JP annual deliverables. Procedures on financial transfers, extensions, financial and operational closure, and related administrative issues are stipulated in the Operational Guidance of the Joint SDG Fund. PUNOs and partners must comply with Joint SDG Fund brand guidelines, which includes information on donor visibility requirements.

Each PUNO will take appropriate measures to publicize the Joint SDG Fund and give due credit to the other PUNOs. All related publicity material, official notices, reports and publications, provided to the press or Fund beneficiaries, will acknowledge the role of the host Government, donors, PUNOs, the Administrative Agent, and any other relevant entities. In particular, the AA will include and ensure due recognition of the role of each Participating Organization and partners in all external communications related to the Joint SDG Fund.

3.4 Legal context

UNICEF's legal basis for the relationship with the Government of Costa Rica is the Basic Cooperation Agreement (BCA) which was signed into Law 8254 by the Legislative Assembly on 04 May 1998. In addition to the BCA, and complementing the UNDAF, UNICEF's Country Programme Document covering the period 2018-2022, and duly approved by its Executive Board, establishes the overall outcomes, programme components, theory of change and proposed partnerships.

In the case of UNESCO, the legal basis for the relationship with the Government of Costa Rica is the "Seat Agreement", signed on 12. November 1981. No country specific work plan or agreement is signed with national counterparts. The organization's work is guided by the UNESCO Programme and Budget for 2020-2021 (document 40C/5), which defines the Main Lines of Action and Expected Results, and by the UNESCO Medium-Term Strategy 2014 - 2021 (37C/4), which sets out the strategic vision and programmatic framework for UNESCO's action in education, sciences, culture, communication and information at the global, regional and country levels. Both documents are approved by the UNESCO General Conference, which consists of representatives of each Member State, including Costa Rica.

UNFPA works in Costa Rica under the Basic Agreement signed between the government and UNDP (Law 5878 dated 12/01/1976) which applies, *mutatis mutandi*, to UNFPA's activities and personnel in Costa Rica. Additionally, UNFPA's Country Programme Document for the

period 2018-2022 was approved by its Executive Board in September 2017. The agency's work is guided by the UNDAF which was signed with the Government of Costa Rica in 2017 (refer to section B3).

D. ANNEXES OF THE JOINT PROGRAMME TEMPLATE

Annex 1. List of related initiatives

Name of initiative/project	Key expected results	Links to the joint programme	Lead organization	Other partners	Budget and funding source	Contract person (name and email)
Design of budgetary program structure in MEP	Programmatic structure	Ongoing initiative which implementation the JP will support	Ministry of Public Education	IDB	IDB - Unknown amount	Karol Zúñiga karol.zuniga.ulloa@mep.go.cr
Development Finance Assessment	To help the Government develop a strategic vision to mobilize the necessary funds to finance its long-term development plans and strategies in the context of the SDGs	The DFA constitutes the first step in the process to create an Integrated National Financial Framework	MIDEPLAN, Ministry of Finance and Ministry of Foreign Affairs	UNS	UNS	Pilar Garrido, Minister of Planning and Economic Policy pilar.garrido@mideplan.go.cr
Results-based budgeting implementation across central government	RBB implemented in Treasury, Ministry of Justice, Planning and Education	Umbrella initiative that hosts the RBB project of MEP	Treasury (MdH) through the National Directorate of National Budgeting	Mideplan	Treasury	Laura Rojas Torres rojastl@hacienda.go.cr
Universalization of Early Childhood Care	Costing study to identify the scope of a co-payment scheme between families and public institutions that can accelerate the goal of universalizing early childhood care for all working mothers irrespective of their economic standing	Financing strategy for the realization of SDG 4.2.	National Child Care and Development Network	-Child Welfare Agency -Centers for Child Nutrition and Education -Ministry of Public Education -Social Assistance Institute	UNICEF and Partners (as defined in "Other partners column")	Yariela Quirós, Director, Technical Secretariat of the National Child and Development Network yquiros@imas.go.cr
National Strategy to Address Educational Exclusion	Promote structured and relevant options to reduce educational exclusion, particularly among the most vulnerable populations, in line with priorities in the National Development and Public Investment Plan	Reducing educational exclusion is one of the most important results to be aligned with strengthened financing schemes.	Ministry of Public Education and the National Apprenticeship Institute	MIDEPLAN	UNICEF	Patricia Mendez, Director of the Unit for Educational Permanence, Reincorporation and Success of the Ministry of Public Education. patricia.mendez.arroyo@mep.go.cr
Participation of MEP in regional SDG 4 monitoring processes	Regional Explanatory and Comparative Study on Education (ERCE): Assessment of learning achievements and associated factors in basic education to inform decision making (evidence related to progress in SDG target 4.1)	On-going process coordinated by UNESCO at regional level, with participation of the MEP, to monitor progress on SDG 4. Relates directly to Outputs 2.1 and 2.3 of the JP.	CECC/SICA, Ministry of Public Education,	INEC	UNESCO/MEP/CECC/SICA	Pablo Mena Castillo, Ministry of Public Education, Director de Gestión y Evaluación de la Calidad pablo.mena.castillo@mep.go.cr Carlos Staff, Executive Secretary, CECC/SICA, carlos.staff.ceccsica@gmail.com Esther Kuisch Laroche, Director UNESCO San José, e.kuisch-laroche@unesco.org
Investment in Adolescence and Youth	This study provides the State and other	Analysis of investment in	Vice Minister of Youth		UNFPA	Margareth Solano, Vice Minister of Youth

	relevant social actors, with quality evidence on the scope of public investment aimed at improving and sustaining the development and well-being of young people.	youth and recommendations on improvements needed				msolano@mcj.go.cr
Support for the design and implementation of the Comprehensive Sexuality and Affectivity Programme	Conceptual development of the Affectivity and Sexuality Program, including the gender perspective and intersectional analysis to leave no one behind.	Gender and intersectional perspectives to leave no one behind	Ministry of Education	UNESCO	UNFPA	Adriana Sequeira, adriana.sequeira.gomez@mep.go.cr and Tatiana Cartin, tatiana.cartin.quesada@mep.go.cr, MEP
Gender gaps in education	Diagnosis of gender gaps in the Ministry of Public Education, which would allow defining the strategic axes for the construction of a gender equality policy.	Gender gaps in the Ministry of Education	Ministry of Education		UNFPA	Adriana Sequeira, Office of the Minister of Education, adriana.sequeira.gomez@mep.go.cr

Annex 2. Results Framework

2.1. Targets for Joint SDG Fund Results Framework

Joint SDG Fund Outcome 2: Additional financing leveraged to accelerate SDG achievement

Indicators	Targets	
	2020-21	2021-22
2.1: Ratio of financing for integrated multi-sectoral solutions leveraged in terms of scope ³	n/a	n/a
2.2: Ratio of financing for integrated multi-sectoral solutions leveraged in terms of scale ⁴	n/a	n/a

As Costa Rica is in the initial stages of developing its INFF, it will not be possible at this moment to project the amounts of conceivable financing that could be leveraged during the JP.

Joint SDG Fund Output 4: Integrated financing strategies for accelerating SDG progress implemented

Indicators	Targets	
	2020-21	2021-22
4.1: #of integrated financing strategies that were tested (disaggregated by % successful / unsuccessful) The project aims at setting the conditions to create an Integrated National Financing Framework	n/a	n/a
4.2.1: #of integrated financing strategies that have been implemented with government/public partners in lead ⁵	0	2
4.2.2 # of integrated financing strategies that have been implemented with civil society partners in lead	0	1
4.2.3 # of integrated financing strategies that have been implemented with private partners in lead	0	1

³Additional resources mobilized for other/ additional sector/s or through new sources/means

⁴Additional resources mobilized for the same multi-sectoral solution.

⁵ This will be disaggregated by (1) government/public partners (2) civil society partners and (3) private sector partners

4.3: # of functioning partnership frameworks for integrated financing strategies to accelerate progress on SDGs made operational	0	3
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Under 4.1, for these indicators we have proposed that they are not applicable to the JP because during the timeframe of two years (which will mostly concentrate in developing the integrated financing strategies) it will not be possible to thoroughly evaluate if the strategies were successfully or unsuccessfully implemented.

Under 4.3, these functioning partnership frameworks include: The National High-Level SDG Council; the Advisory Council on Social Responsibility (CARS); and the Technical Programme Management Committee.

Joint SDG Fund Operational Performance Indicators

- Level of coherence of UN in implementing programme country⁶
- Reduced transaction costs for the participating UN agencies in interaction with national/regional and local authorities and/or public entities compared to other joint programmes in the country in question
- Annual % of financial delivery
- Joint programme operationally closed within original end date
- Joint programme financially closed 18 months after their operational closure
- Joint programme facilitated engagement with diverse stakeholders (e.g. parliamentarians, civil society, IFIs, bilateral/multilateral actor, private sector)
- Joint programme included addressing inequalities (QCPR) and the principle of "Leaving No One Behind"
- Joint programme featured gender results at the outcome level
- Joint programme undertook or draw upon relevant human rights analysis, and have developed or implemented a strategy to address human rights issues
- Joint programme planned for and can demonstrate positive results/effects for youth
- Joint programme considered the needs of persons with disabilities
- Joint programme made use of risk analysis in programme planning
- Joint programme conducted do-no-harm / due diligence and were designed to take into consideration opportunities in the areas of the environment and climate change

2.2. Joint programme Results framework

Result / Indicators	Baseline	2020/2021 Target	2021/2022 Target	Means of Verification	Responsible partner
Outcome 1. By 2022, the Costa Rican government has made progress in building an integrated vision of financing for development, implementing measures to align national planning instruments with available financing flows (public and private) and ensuring the incorporation of the gender perspective.					
Outcome 1 indicator					
Outcome 1 indicator 1.1 Percentage of progress made by the Costa Rica Government in building an integrated vision of financing for development	0	50%	100%	The percentage of progress will be assessed as per completion of the pre-defined	MIDEPLAN Treasury Private sector Key stakeholders Other Ministries

⁶ Annual survey will provide qualitative information towards this indicator.

				phases of the financing for development integrated vision.	
Outcome 1 indicator 1.2 Alignment level between the national planning instruments' SDG targets and available financing flows (public and private), with a gender perspective.	Level 1 of Alignment	Level 2 of Alignment	Level 4 of Alignment	The level of alignment will be assessed by a qualitative scale based on the extent of the direct inclusion and relation between SDG targets and available financing flows in the national planning instruments.	MIDEPLAN Treasury
Output 1.1 By 2022, the Costa Rican government has a National Strategy for Financing for Development and its respective action plan developed and designed with a gender perspective.					
Output 1.1 indicators					
Output 1.1. Indicator 1.1.1 Number of new tools to increase the quality and availability of financing for development (public and private, domestic and external) developed	0	1	2	Programme documents	MIDEPLAN Treasury INAMU
Output 1.1. Indicator 1.1.2 A National Strategy for Financing for Development, and its respective action plan has been designed and approved by the Costa Rican government, civil society and private sector representatives.	0	0	1	1 Document with the National Strategy for Financing 1 Document with the Action Plan for the National Strategy for Financing for development	MIDEPLAN Treasury Private sector

Output 1.2. By 2022, the Costa Rican government has an inter-institutional, intersectorial and multi-level mechanism that strengthens national governance in financing for development designed					
Output 1.2 Indicators					
Output 1.2. Indicator 1.2.1 Number of dialogue mechanisms that strengthen the national governance and ecosystem for development financing implemented.	0	1	1	Attendance lists Meeting programs Documents with meeting agreements	MIDEPLAN, Treasury, private sector Key stakeholders
Outcome 2. By 2022, Costa Rica's government effectively manages the results and impact of its public investment aligning its budgeting decisions and operational processes to SDGs and long-term country goals.					
Outcome 2 indicator					
Outcome 2 indicator 2.1. Percentage of MEP's development financing directorates that apply results-based criteria.	0	10%	50%	Documents and evidence related to programming and budgeting processes of the MEP	MEP
Outcome 2 indicator 2.2. Percentage of MEP's new financing for development policies that include gender and social inclusion perspective as a parameter for the allocation of resources.	NA	20%	100%	Policy documents	MEP
Output 2.1 By 2022, MEP has developed and is using a results-based management framework for increased and improved investment in the education sector.					
Output 2.1 indicator					
Output 2.1. indicator 2.1.1: Percentage of advance in the implementation of the result-based management framework.	0	50%	100%	Documents and evidence of the results-based framework (identification of long-term programmatic results and products, adapted programmatic structure, budget allocation documents, etc.)	MEP, MIDEPLA, IDB

Output 2.1. indicator 2.1.2: A Gender responsive budgeting proposal to achieve SDG5 in MEP.	No	No	Yes	Document of Gender responsive budgeting proposal to achieve SDG5 in the MEP	MEP INAMU MIDEPLAN INEC/ SEN
Output 2.2 By 2022, MEP has developed the capacity to identify financing gaps and needs for achieving SDG 4 with gender perspective and social inclusion.					
Output 2.2 indicator					
Output 2.2. indicator 2.2.1: Number of financing gaps for achieving SDG 4 and other key education sector targets, with gender perspective and social inclusion, identified.	0	1	3	Report from SDG Financing Gaps analytical study.	MEP INAMU MIDEPLAN
Output 2.2. indicator 2.2.2: Number of policy proposals, with a gender and social inclusion perspective, formulated by MEP to increase the required fiscal space for financing the achievement of SDG4 and SDG 5, and other key education sector targets.	0	1	3	Report from fiscal space study monitoring's tool	MEP INAMU MIDEPLAN
Output 2.3. By 2022, MEP has strengthened its data gathering, analysis and monitoring structural capabilities to track results and progress towards SDGs with a gender and social inclusion perspective.					
Output 2.3 indicator					
Output 2.3. indicator 2.3.1: No. of processes to gather and analyze data for results indicators, with a gender and social inclusion perspective, have been re-designed and are operational"	0	1	2	Dashboard operational; operations manual	MEP
Output 2.3. indicator 2.3.2: Percentage of MEP directors with programmatic and budget allocation responsibilities who have access to relevant data to inform their decisions, with a gender and social inclusion perspective	0	0	60%	Document that analyses dashboard use; feedback obtained from Directors	MEP
Output 2.4. By 2022, MEP has undertaken necessary policy, regulatory and administrative reforms to support results-based financing and operating models for improved educational investment performance with gender perspective and social inclusion.					
Output 2.4 indicators					
Output 2.4. indicator 2.4.1: Extent to which the recommendations and roadmap for regulatory reform has been adopted by the Ministry of Education	0%	80%	100%	Document with roadmap and recommendations	MEP

Outcome 3. Joint programme management					
Outcome 3 indicator					
Outcome 3 indicator 3.1: Percentage of execution of Joint Programme	0	40%	100%	Reports of Joint programme.	UNICEF
Output 3.1. Compliance the goals of the Joint program.					
Output 3.1 indicators					
Output 3.1. indicator 3.1.1: Percentage of execution of the assigned resources.	0%	50%	100%	Reports of Joint programme.	UNICEF
Output 3.1. indicator 3.1.2: Percentage of compliance with the goals of the Joint program.	0%	40%	100%	Reports of Joint programme.	UNICEF
Output 3.1. indicator 3.1.3: Number of reports made and delivered to the SDF.	0	2	4	Reports of Joint programme.	UNICEF

Annex 3. Gender marker matrix

Indicator		Score	Findings and Explanation	Evidence or Means of Verification
N°	Formulation			
1.1	Context analysis integrate gender analysis	3	This criterion exceeds the requirements because gender analysis is the basis of the proposal. The situation analysis integrates a gender analysis across all sectors including underlying causes of gender inequality and discrimination in line with SDG priorities including SDG 5. The analysis shows how the proposal accelerates SDG targets. SDGs 4.5, 4.4, 5.6, among others that promote the elimination of gender disparities in education and the formulation of policies with a gender and social inclusion perspective. It uses consistent sex-disaggregated and gender sensitive data and a targeted gender analysis of those furthest behind, in particular young women indigenous, Afro descendants, with disabilities, migrant, refugees, among others. This analysis is also based on the CEDAW Committee for Costa Rica (2017 / C / CRI / CO / 7) for education (Recommendation 27),	Situation analysis. State of Education report. PIEG 2018-2030

			the PIEG 2018-2030 and the National Policy of equality between men and women regarding training, employment and benefit from sciences, technology, telecommunications and innovation 2018-2027.	
1.2	Gender Equality mainstreamed in proposed outputs	2	This criterion exceeds the requirements. Gender equality and women's empowerment are mainstreamed across all output areas, which means a strong advance of gender equality and the empowerment of women, with a clear link to the SDGs, including SDG 5, with particular emphasis on SDG 5.c and its indicator. Also, three out of six programme outputs specifically target the inclusion of gender and social inclusion perspective.	Programme strategy Results framework
1.3	Programme output indicators measure changes on gender equality	3	More than half of the output indicators measure changes in gender equality and the empowerment of women in line with SDG targets including SDG 5, with emphasis on SDG 5.c.	Programme strategy
2.1	PUNO collaborate and engage with Government on gender equality and the empowerment of women	3	The National Institute of Women (INAMU) has been consulted about the proposal, including country analysis, strategic prioritization, implementations, in line with Recommendations of the CEDAW Committee for Costa Rica (2017 / C / CRI / CO / 7) for education (Recommendation 27) and the PIEG 2018-2030. The programme contributes to substantively strengthen Government participation and engagement in gender-related SDGs and include them in result-based management and budgeting (focused on SDGs 4, 5 and 17) and including an intersectional gender and socially inclusive perspective in its implementation.	Programme strategy
2.2	PUNO collaborate and engages with women's/gender equality CSOs	2	The PUNO will involve GEWE CSO and women's rights advocates in the implementation of the project. It was not possible to involve them in the elaboration of the project due to time constraints.	Programme strategy

3.1	Program proposes a gender-responsive budget	3	This criterion exceeds the requirements. One of the main objectives of the project is to promote gender responsive budgets.	Programme strategy
Total scoring		2.6		

Annex 4. Budget and Work Plan

4.1 Budget per UNSDG categories

The JCP has a total budget of USD \$1,428,560, of which USD \$1,000,000 is sought from the Joint SDG Fund and USD \$428,560 correspond to the PUNO contributions (UNICEF, UNESCO and UNFPA). Of the USD 1,000,000 contributed by the Joint SDG Fund, USD \$934,579 correspond to direct costs, broken down in the following categories in order of importance. Seventy per cent (70%) of the funds will be used for contractual services, understanding that a significant portion of this JCP corresponds to professional technical services, consultancies and capacity building. Ten per cent (10%) will be used on supplies, commodities and materials. Nine per cent (9%) will be used on staff and other personnel to provide agency-based technical assistance and quality oversight. Nine per cent (9%) will be used on travel. Two per cent (2%) will be used on equipment, vehicles and furniture.

UNDG BUDGET CATEGORIES	UNICEF		UNESCO		UNFPA		TOTAL	
	Joint SDG Fund (USD)	PUNO Contribution (USD)	Joint SDG Fund (USD)	PUNO Contribution (USD)	Joint SDG Fund (USD)	PUNO Contribution (USD)	Joint SDG Fund (USD)	PUNO Contribution (USD)
1. Staff and other personnel	30,000		30,900		15,000		75,900	
2. Supplies, Commodities, Materials	42,000		49,650		0		91,650	
3. Equipment, Vehicles, and Furniture (including Depreciation)	3,500		2,000		0		5,500	
4. Contractual services	309,469		144,630		205,330		659,429	
5. Travel	25,500		28,600		29,000		83,100	
6. Transfers and Grants to Counterparts	0		0		0		0	
7. General Operating and other Direct Costs	11,000		8,000		0		19,000	
Total Direct Costs	421,469		263,780		249,330		934,579	
8. Indirect Support Costs (Max. 7%)	29,503		18,465		17,453		65,421	
TOTAL Costs	450,972	165,000	282,245	132,260	266,783	131,300	1,000,000	428,560
1st year	225,486	82,500	141,122	66,130	133,392	65,650	500,000	214,280

2nd year	225,486	82,500	141,123	66,130	133,391	65,650	500,000	214,280
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4.2 Budget per SDG targets

The joint programme focuses on strengthening Costa Rica's SDG financing architecture through resource alignment with national goals and improved education sector public spending. As such, the expected outcomes and outputs of this joint programme are directly in line with the 2030 Agenda for Sustainable Development as well as with the principal financing for development frameworks, most notably the 2015 Addis Ababa Action Agenda that calls for financing sustainable development that aligns key financing flows and policies with social and economic priorities. By closely accompanying national institutions in the follow-up to and implementation of the recommendations of the Development Finance Assessment (DFA) regarding the financing gaps for SDG achievement, the joint programme will be in a strategic position to ensure the alignment of resources from different financing streams with the acceleration of progress towards the SDGs in Costa Rica whilst leaving no one behind. In parallel, y focusing on the critical and cross-cutting education sector, the joint programme will work closely with the Ministry of Public Education to improve efficiency and equity in public spending through results-based and gender-focused budgeting in those SDG 4 targets that require most acceleration and where gaps, inefficiencies and developmental outcomes are most evident. By applying a focus on incorporating gender equality and social inclusion criteria, the JP aims at developing a financing and programming framework that aims to eliminate existing inequalities and leaving no one behind, not only in the education sector, but that can also be scaled and applied to other critical sectors. In this regard, the joint programme will concentrate forty-four per cent (44%) per cent of available resources around SDG 4; thirty per cent (30 %) in SDG 5; and twenty-six per cent (26%) in SDG 17.

SDG TARGETS		%	USD
SDG4	4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable	44	628,566
SDG 5	5.c. Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels	30	428,568
SDG 17	17.1 strengthen domestic resource mobilization, including through international support to developing countries to improve domestic capacity for tax and other revenue collection	13	185,713
SDG 17	17.9. Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the sustainable development goals, including through North-South, South-South and triangular cooperation	13	185,713
TOTAL		100	1,428,560

4.3 Work plan

Outcome 1			By 2022, the Costa Rican government has made progress in building an integrated vision of financing for development, implementing measures to align national planning instruments with available financing flows (public and private) and ensuring the incorporation of the gender perspective.															
Output	Annual target/s		List of activities	Time frame							PLANNED BUDGET				PUNO/s involved	Implementing partner/s involved		
	2020/21	2022		Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Overall budget description	Joint SDG Fund (USD)	PUNO Contributions (USD)			Total Cost (USD)	
Output 1.1 By 2022, the Costa Rican Government has developed a National Strategy for Financing for Development and its respective action plan.	A new tool to increase the quality and availability of financing for development (public and private, domestic and external) developed	Two new tools to increase the quality and availability of financing for development (public and private, domestic and external) developed	Analysis of prioritization, costing and financing needs assessment that allow us to propose new financing tools in the short and medium term.									Staff and other personnel costs; Supplies, Commodities, Materials; contractual services	104,500	58,255	162,755	UNFPA /UNICEF	MIDEPLAN / Ministry of Finance	
	The process of developing a National Strategy for Financing for Development has begun, led by the Costa Rican government and with active participation of civil society and private sector representatives.	A national strategy for Financing for Development, and its respective action plan, has been designed and approved by the Costa Rican government, civil society and private sector representatives.	Analysis of the regulatory framework that limits the use of new financing instruments for development.									104,500	58,255	162,755				
			Design of new tools to increase the quality and availability of financing for development (public and private, domestic and external)										96,100	37,740	133,840			
Output 1.2 By 2022, the Costa Rican government has an inter-institutional, intersectoral and multi-level mechanism that strengthens national governance in financing for development.	Multilateral negotiations to develop a dialogue mechanism to strengthen the national governance and ecosystem for development financing have taken place.	A dialogue mechanism to strengthen the national governance and ecosystem for development financing has been implemented.	Development of inter-institutional and intersectoral coordination governance mechanisms in the field of financing for development.									Staff and other personnel costs; Supplies, Commodities, Materials; contractual services	14,000	5,498	19,498	UNICEF	MIDEPLAN / Ministry of Finance	
			Dialogue mechanisms with key actors aiming at concluding agreements on financing for development.										22,000	8,640	30,640			
Outcome 2			By 2022 Costa Rica's government effectively manages the results and impact of its public investment aligning its budgeting decisions and operational processes to SDGs and long term country goals.															
Output	Annual target/s		List of activities	Time frame							PLANNED BUDGET				PUNO/s involved	Implementing partner/s involved		
	2020/2021	2022		Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Overall budget description	Joint SDG Fund (USD)	PUNO Contributions (USD)			Total Cost (USD)	
Output 2.1 - By 2022, MEP has developed and is using a results-based management framework for increased and improved investment in the education sector.	50% of advance in the implementation of the result-based management framework.	100% of advance in the implementation of the result-based management framework.	Co-definition of relevant results indicators aligning MEP's key strategic areas and the national SDG tracking processes. Incorporation of specific gender and equity criteria in the results indicators. Carry out an analysis to define key SDG-tagged indicators to measure expected results in the MEP's strategic areas of quality, efficiency, innovation, gender and social inclusion.									contractual services; workshops	15,150	6,000	21,150	UNESCO	MIDEPLAN/INEC/MEP/	
			Implement a benefit incidence analysis to address how spending may accelerate education deprivation									contractual services; staff and other personnel costs; materials commodities	40,000	13,300	53,300	UNESCO		
	National and international methodologies for gender responsive budgeting are reviewed and discussed with MEP, INAMU and other stakeholders	A Gender responsive budgeting proposal to achieve SDGs in MEP has been developed	A Gender responsive budgeting proposal to achieve SDGs in MEP.									contractual services; workshops	31,930	11,580	43,510	UNFPA		
			Consultative process with MEP, Mideplan and Inamu									contractual services; workshops	8,400	3,210	11,610	UNFPA		
Output 2.2 By 2022, MEP has developed the capacity to identify financing gaps and needs for achieving SDG 4 with gender perspective and social inclusion.	One financing gap for achieving SDG 4 and other key education sector targets, with gender and social inclusion perspective, identified.	Three financing gaps for achieving SDG 4 and other key education sector targets, with gender and social inclusion perspective, identified.	Backcasting analysis for the achievement of main SDG targets in education. Adaptation of projection and simulation models to the Costa Rican context and capacity development for its application.									contractual services, travel, staff and other personnel costs	56,730	28,000	84,730	UNESCO	MEP	
			Undertake a comprehensive Education Sector Expenditure review to assess with more precision how the budget is spent, identify funding gaps and efficiency issues.									contractual services, travel, staff and other personnel costs	100,000	39,272	139,272	UNICEF		
	One policy proposal, with a gender and social inclusion perspective, formulated by MEP to increase the required fiscal space for financing the achievement of SDG4 and other key education sector targets.	Three policy proposals, with a gender and social inclusion perspective, formulated by MEP to increase the required fiscal space for financing the achievement of SDG4 and other key education sector targets.	Undertake a fiscal space analysis to determine potential financing flows in the education sector (public, private, domestic and international)									contractual services, travel, staff and other personnel costs	16,319	5,891	22,210	UNICEF		
			Development of an actionable agenda that identifies priorities for short, medium and long term investment									contractual services; workshops	13,050	5,125	18,175	UNICEF		
Output 2.3 By 2022, MEP has strengthened its data gathering, analysis and monitoring structural capabilities to track results and progress towards SDGs with a gender and social inclusion perspective.	A process to gather and analyze data for results indicators, with a gender and social inclusion perspective, has been re-designed and are operational	Two processes to gather and analyze data for results indicators, with a gender and social inclusion perspective, have been re-designed and are operational	Analysis of current data gathering processes and reporting capabilities within MEP, adapting selected components of the UIS Data Quality Assessment Framework (DQAF)										31,900	17,300	49,200	UNESCO	MEP	
			(Re)design of necessary processes to gather and analyse data from results indicators. Ops manual										40,000	25,000	65,000			
												contractual services, travel, staff and other personnel costs						
	0% of MEP directors with programmatic and budget allocation responsibilities who have access to relevant data to inform their decisions, with a gender and social inclusion perspective	60% of MEP directors with programmatic and budget allocation responsibilities who have access to relevant data to inform their decisions, with a gender and social inclusion perspective	Proposal for dashboard that feeds results back to decision making units regarding budget allocation.										20,000	10,000	30,000			
Output 2.4 By 2022, MEP has undertaken necessary policy, regulatory and administrative reforms to support results-based financing and operating models for improved educational investment performance with gender perspective and social inclusion.	90% of recommendations and roadmap for regulatory reform has been adopted by the Ministry of Education	100% of recommendations and roadmap for regulatory reform has been adopted by the Ministry of Education	Analysis of current regulatory constraints to implement results-based budgeting in MEP									contractual services, staff and other personnel costs	45,000	24,659	69,659	UNESCO	MEP	
			Based on the analysis, development of recommendations and road map for regulatory reform									contractual services; supplies, commodities, materials	15,000	8,000	23,000			
Joint programme management			List of activities	Time frame							PLANNED BUDGET				PUNO/s involved	Implementing partner/s involved		
Output	Annual target/s			Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Overall budget description	Joint SDG Fund (USD)	PUNO Contributions (USD)			Total Cost (USD)	
	60% of JP's assigned resources executed.	100% of JP's assigned resources executed.	JP coordination, administrative support and general operating other direct costs										113,500	44,573	158,073	UNICEF		
	40% of JP's targets achieved.	100% of JP's targets achieved.	JP final evaluation									contractual services, staff and other personnel costs. Supplies and materials.	18,600	7,305	25,905			
	Two progress reports made and delivered to the SDF.	Three progress reports and one final report made and delivered to the SDF.	Monitoring, reporting, communication plan and learning and sharing plan										27,900	10,957	38,857			
Output 3.2 Indirect Support Costs			Joint Programme overhead costs (@7%)										65,421	0	65,421	UNESCO, UNFPA, UNICEF		

Annex 5. Risk Management Plan

Risks	Risk Level: (Likelihood x Impact)	Likelihood: Certain - 5 Likely - 4 Possible - 3 Unlikely - 2 Rare - 1	Impact: Essential - 5 Major - 4 Moderate - 3 Minor - 2 Insignificant - 1	Mitigating measures	Responsible Org./Person
Contextual risks					
Electoral process and the government transition period undermine the expressed commitment from authorities to the JP.	6	2	3	Build strong working relationships with technical and implementation teams. JP's governance structure involves several actors already committed with UNDAF.	JP Technical program management committee
Vulnerability due to the occurrence of disasters caused by extreme natural phenomena combined with low response capacity and resilience, would affect progress, and can have a significant impact on public finances and the redefinition of priorities.	6	3	2	The risk is external to the JP. Adequate planning of activities, taking advantage of the close relationship of UN agencies with the National Emergency Commission and other responsible actors, could expand the capacity to foresee and deal with these externalities in a timely manner.	JP Technical programme management team
The coronavirus pandemic will not generate significant distractions within the central government nor trigger an economic contraction that further deepens	20	5	4	A contingency plan for the JP will be developed with the government, that will address possible impacts of the pandemic on the implementation and progress of the JP	

the country's fiscal crisis.					
Programmatic risks					
Incoming public sector reform bill generates unrest among unions and overall public discontent.	6	3	2	Build strong working relationships with technical and implementation teams.	JP Technical program management committee
In-country PUNO's evolving expertise in public financing and management may slow down the process.	6	2	3	local Capacity building, reliance on regional global agencies' expertise	JP Technical program management committee
Institutional risks					
MEP is unable to obtain approval for the new budgetary program structure from Mideplan	8	2	4	JP's governance structure involves Mideplan. This means that a close involvement of this institution should guarantee approval of all outputs of the JP, including recommendations for the new budgetary programme structure.	JP Technical program management committee
MEP is unable to implement the necessary organizational restructuring to match the new budgetary program structure.	6	3	2	The risk is external to JP's influence, however, the outputs to be delivered by the JP are indispensable for the eventual implementation.	JP Technical program management committee
Institutions may face regulatory barriers that could affect a reform to enable the use of new tools for financing for development.	9	3	3	Participatory dialogues carried out with main stakeholders to strengthen capacities and generate ownership of the Financing for Development	JP Technical program management committee

				<p>concepts and tools.</p> <p>Exercises developed to exchange knowledge and lessons learned with other countries that show successful experiences regarding the implementation of new tools for financing for development.</p>	
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