

Financing for Development and UNDP



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A Snapshot

UNDP has a large portfolio of work on financing for development (FfD); from supporting countries to access and programme environmental finance, to working with aid providers and recipients to exchange knowledge and make development cooperation more effective, to carrying out research and policy advice on debt sustainability, to maximizing the potential of private finance. We are also involved in a wide range of important and much-valued partnerships. Below is a snapshot of some of our work on FfD.

Environmental Finance – United Nations Development Programme (UNDP) has helped over 150 countries to access and programme more than US\$ 4 billion from environmental vertical funds such as the Global Environment Facility (GEF) and the Adaptation Fund, as well as bilateral donors. UNDP offers financial and technical solutions to scale-up responses to climate change adaptation and mitigation, manage ecosystems and biodiversity, improve water and oceans' governance, introduce affordable, accessible and clean energy solutions, and sustainably manage chemicals and waste. Our programmes integrate social, environmental and economic dimensions in order to deliver multiple development benefits. Together with the GEF and other partners, UNDP is also designing innovative financing mechanisms, such as social finance and green lending. UNDP's Biodiversity Finance Initiative (BIOFIN), meanwhile, aims to drive more equitable, effective and efficient public spending in the area of biodiversity. Read more: <http://www.biodiversityfinance.net/>

The Global Partnership for Effective Development Co-operation (GPEDC) – The GPEDC is an innovative, inclusive and high-level international alliance to support development effectiveness. The Global Partnership, supported by UNDP and the Organisation for Economic Co-operation and Development (OECD), provides a forum for monitoring the effectiveness of development cooperation, and has a growing library of on-the-ground case studies which show how more effective development cooperation creates practical solutions for financing for development.

Read more: <http://effectivecooperation.org/>

Regional Platforms on Financing for Development – UNDP's Bangkok Regional Hub serves as the Secretariat for the Asia Pacific Development Effectiveness Facility (AP-DEF). AP-DEF supports countries in reforming policies and institutions based on evidence of domestic and international financial flows at the country level.

International Aid Transparency Initiative (IATI) – UNDP hosts the secretariat of IATI, an initiative which aims to make information about aid spending easier to access, use and understand. Almost 350 governments, multilaterals, foundations, NGOs and private sector investors have



A bank representative helping customers in Fiji manage their electronic bank accounts (Photo: Jeff Liew)

published their data via the initiative so far. In 2014, UNDP was recognized as the world's most transparent aid organization among 68 major agencies evaluated worldwide by the Aid Transparency Index .

Read more: <http://www.aidtransparency.net/>

UNDP, philanthropists and social investors – UNDP founded the Post 2015 Partnership Platform for Philanthropy with the Foundation Center and a committee of leading foundations guided by Rockefeller Philanthropy Advisors. Other foundations are also involved as partners. The project aims to provide opportunities for philanthropists to better understand and engage in global development processes, as well as help

UNDP's recent research on 'Impact Investment in Africa' looked at the trends, constraints and opportunities for the sector on the continent. We also plan further public private dialogues to explore how such activities can be expanded in the future.

governments and the UN system understand and build on the added value of philanthropy's engagement.

Read more: <http://www.undp.org/content/undp/en/home/ourwork/partners/foundations.html>

Remittances and diaspora investments – UNDP has implemented 61 projects on diaspora engagement and 24 projects on migrant remittances. These initiatives look at how to increase opportunities for the diaspora to invest in development activities, as well as how more migrant remittances could be channeled towards local development. UNDP is involved in the Global Migration Group's efforts to lower the cost of remittance transfers, to increase financial inclusion and to maximize the human development impact of migration for migrants, their families, their communities of origin and residence.

Strengthening Domestic Budgets for Sustainable Development – UNDP has been supporting Ministries of Finance to strengthen their budget and investment prioritization processes to deliver on sustainable development. This includes work with over 30 governments across the world, from China to Chile, to consider the implications of climate change for their national budgets and work to support budget reforms in a number of countries. UNDP has also supported governments to consider the relationship between their budgets and issues of biodiversity, disaster risk reduction, social protection, as well as initiating work on non-communicable diseases.

South-South and Triangular Cooperation – Many developing countries are making an increasingly important contribution to sustainable development through knowledge exchange, technology transfer and financial assistance. UNDP's roles are to broker the exchange of knowledge, facilitate partnerships and strengthen the capacities of countries to engage in South-South and triangular cooperation.

Debt Sustainability – UNDP carries out research analysis, advocacy and advisory support on debt sustainability. Much of our recent work has focused on the debt sustainability challenges facing several Small Island Developing States (SIDS). In collaboration with international partners such as the Caribbean Community (CARICOM), the Commonwealth Secretariat and the OECD, we are working to raise awareness of their economic and environmental vulnerabilities and to table practical solutions such as debt-for-nature swaps and innovative financial instruments designed to reduce macroeconomic risk.

Illicit Financial Flows – UNDP has partnered with leading international think tanks and researchers to carry out research on the scale of illicit financial flows from different countries, such as the Least Developed Countries (LDCs). We work with other stakeholders to raise awareness of the issue and to encourage international cooperation to curtail it. We have also



UNDP Pakistan investing in sustainable housing and water projects in South of Sindh province of Pakistan (Photo: UNDP Pakistan)

supported capacity building of local researchers and government officials on this issue.

Extractive Industries – In a time of volatile commodity prices, it is more important than ever that resource rich countries capture a fair share of profits generated through natural resource extraction. UNDP assists over 40 countries to improve management of their mineral and hydrocarbon resources, including through building the skills and capacities of local actors and enterprises to capture a larger share of procurement and broader economic opportunities associated with extractive industries' investments. We also support capacity building to put in place and implement adequate regulatory and policy frameworks, including capacities to negotiate and enforce contracts. In addition, we support dialogue, participation and transparency in the sector to ensure that revenues are tracked, managed and invested well in support of development priorities.

Read more: <http://www.undp.org/extractiveindustries>

Finance for reducing disaster risk – UNDP works to raise awareness of the importance of adequate financing for disaster risk reduction, in particular in the face of growing disaster risks. Over the last decade, UNDP has delivered close to \$2 billion of support for disaster risk reduction (DRR) in over 100 countries. UNDP's flagship commitment to supporting the Sendai Framework for DRR will be launched in 2016, helping 50 countries deliver sustained and sustainable risk-informed development over the next decade. You can find our report '[10 things to know about finance for reducing disaster risk](#)' on the UNDP website: <http://on.undp.org/Op3iV>

Financial Inclusion – UNDP is a partner in the **Pacific Island Financial Inclusion Programme (PFIP)**. PFIP is a Pacific-wide programme helping low-income households gain access to quality and affordable financial services and financial education. It is jointly managed by UNCDF and UNDP. PFIP aims to add one million Pacific Islanders to the formal financial sector by 2019. Read more: <http://www.pfip.org/>

Visit the Event Page for further information on FfD: undp.org/ffd3

Join the conversation on Twitter with @undp #FFD3 #Action2015

Check out our blog series on Financing for Development: <http://on.undp.org/O94Ff>

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