



Integrated National
Financing Frameworks

Integrated National Financing Frameworks (INFFs)

DESA/FSDO
UNDP

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Integrated National Financing Frameworks (INFFs): An Overview

- ❖ INFF is an approach / framework to raise and align all financing with sustainable development strategies
- ❖ INFF strengthens coherence across financing policies
- ❖ INFF as a 'docking station', i.e., streamlines and builds on what is already there
- ❖ Country-owned and country-led





Governance & Coordination

Governance and coordination mechanisms guide the process and enhance coherence across government.



Assessment & Diagnostics

Assessments and diagnostics provide a complete picture of financing: i) needs; ii) sources; iii) risk factors; and constraints/challenges.



Inception phase

The inception phase starts the process and brings together relevant policymakers and stakeholders.



Financing Strategy

Financing strategies set out a set of sequenced actions to finance national development strategies and goals, and mobilise and align financing with national priorities.



Monitoring & Review

Monitoring and review helps governments track progress and draw lessons for policy design and implementation.

Comments and feedback:
developmentfinance@un.org

INFFs in LDCs – a value proposition

- ❖ **Limited capacities and low revenue/ large financing gaps** a well articulated financing strategy can help: mobilize additional support by partners; help coordinate their support and capacity development activities; and formulate global policy asks;
- ❖ **External vulnerabilities, limited diversification** INFFs can help mainstream risk assessment and risk-informed policies and instruments, focus on resilience; structural transformation as a priority can be mainstreamed across financing policies
- ❖ **Governance challenges** inclusive governance, coordination and consultation of all relevant stakeholders at heart of approach
- ❖ **Financing mix** can help assess and manage financing landscape in low-income settings, and/or as it develops when countries graduate, bringing together existing tools



INFF Guidance Documents



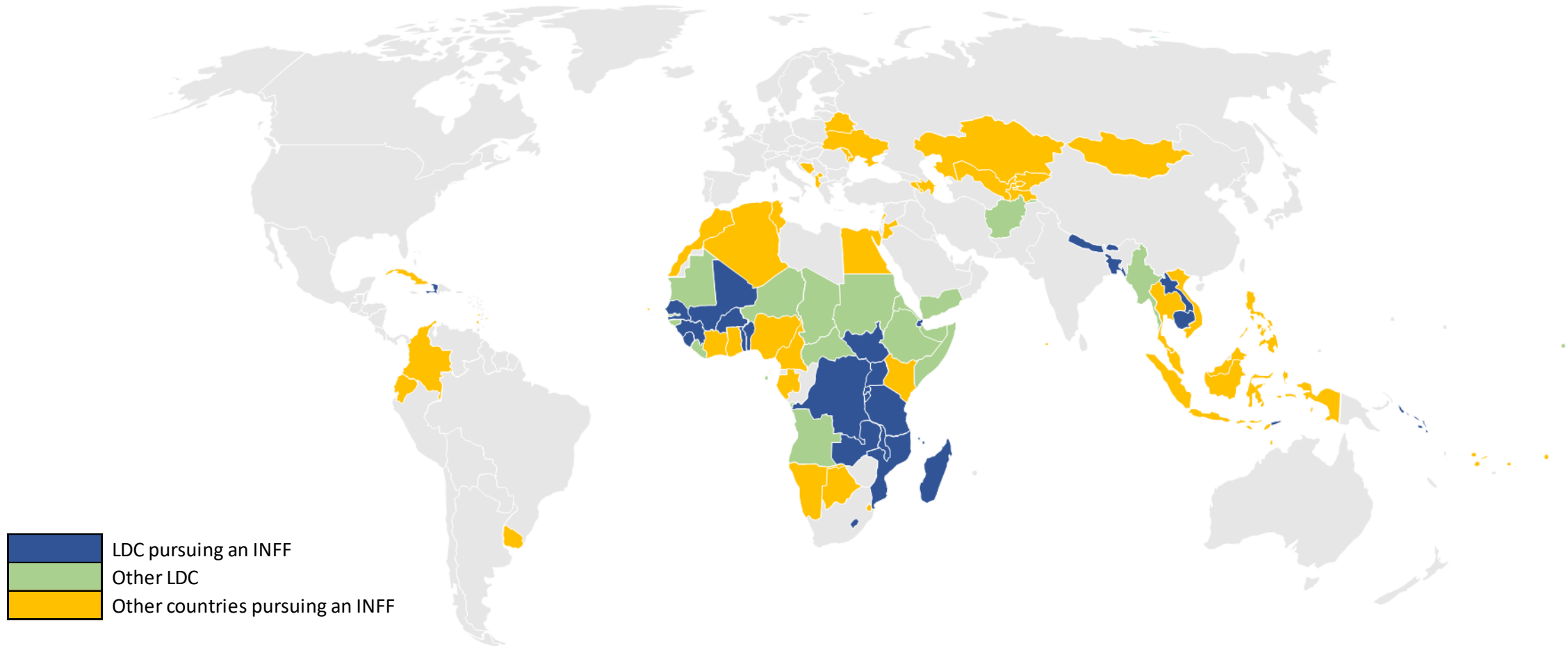
- ✓ **Inception phase:** guidance published in January 2020
- ✓ **Assessments and diagnostics:** guidance published in December 2020
- ✓ **Financing strategy:** guidance published in April 2021
- ✓ **Monitoring and review:** guidance published in July 2021
- ✓ **Governance and coordination:** guidance published in April 2021
- ✓ **Additional Guidance:** LDCs, Climate, Debt, etc. (*in development*)

<https://inff.org/>



Which countries are pursuing an
INFF?

INFFs worldwide



The designations employed and the presentation of material on this map do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations or UNDP concerning the legal status of any country, territory, city or area or its authorities, or concerning the delimitation of its frontiers or boundaries.

What progress has been made in operationalising INFFs in LDCs?

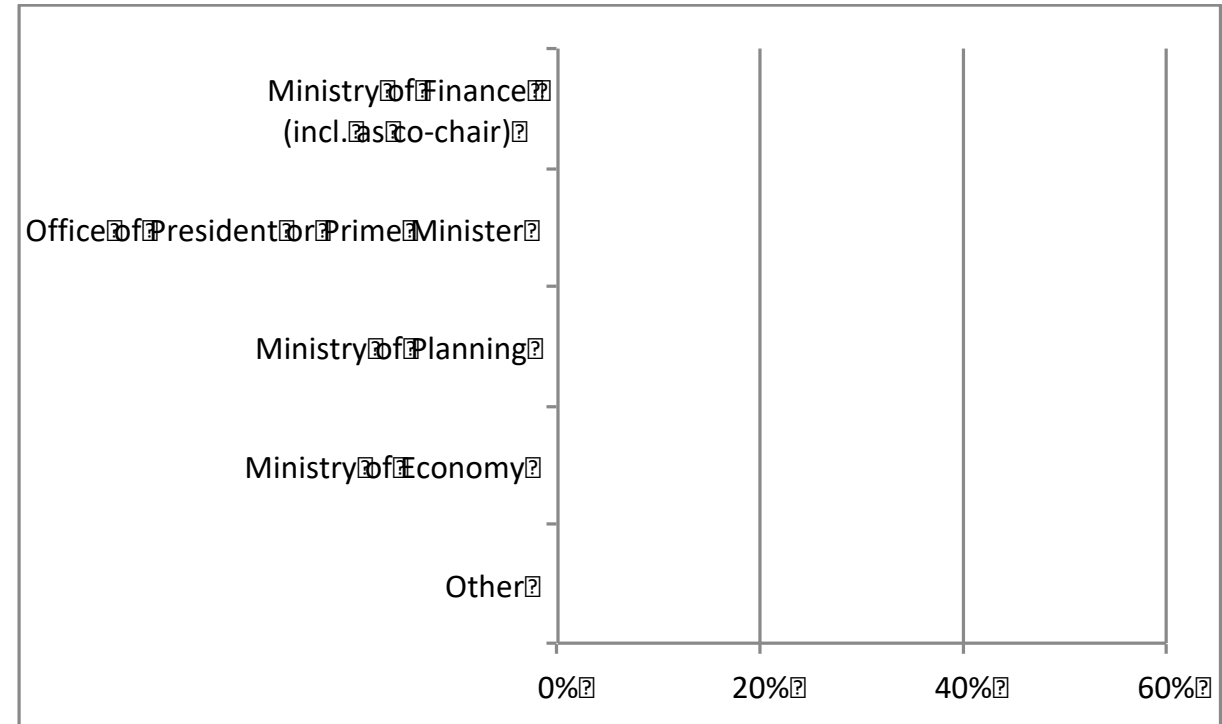
Governance and coordination LDCs

INFF Oversight Committees



Among those formalised and being formalised:
52%: Embedded within an existing mechanism
28%: New mechanism created
20%: TBD

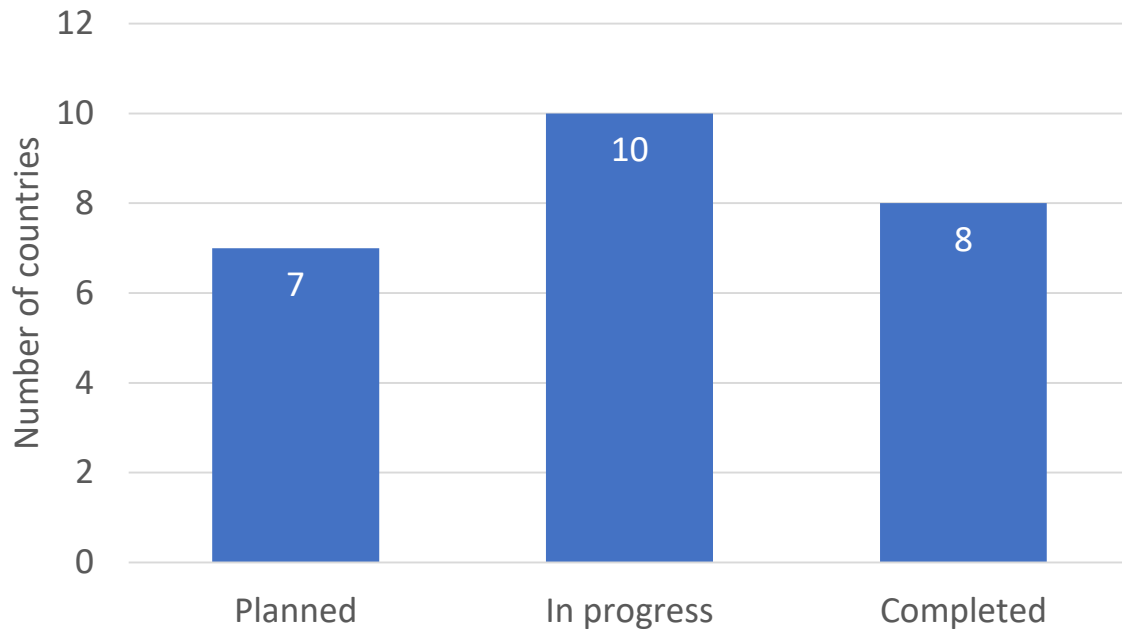
Oversight Committees Chairs



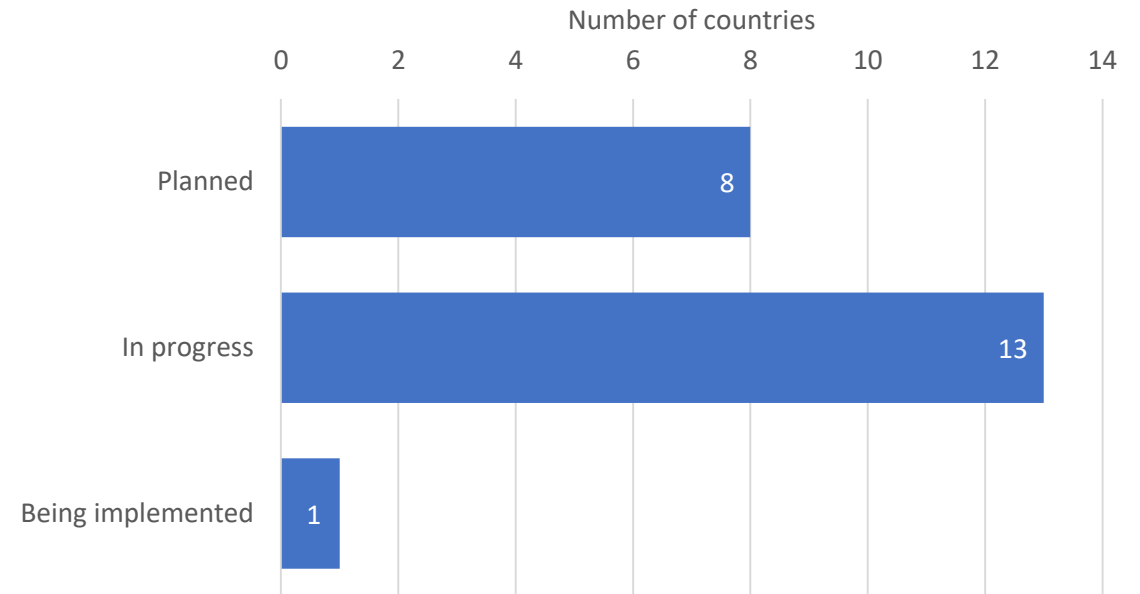
Both Civil Society Organisations and Chambers of Commerce are formal members of oversight committees in one fifth of countries

Inception phase LDCs

Development Finance Assessments



INFF Roadmaps



Country example: Rwanda

- ✓ **The National Strategy for Transformation (NST 2024):** becoming an upper middle-income country by 2035
- ✓ **Financing needs:** US\$ 41 billion, with 59% from public sources and 41% from private financing
- ✓ **Integrated National Financing Frameworks:** creating a framework for private investments in NST and SDGs
- ✓ **Partners:** UNDP, UNICEF, EU, WB, IMF, GIZ, KfW, DFID, ENABEL.



Governance : INFF Steering Committee

Inception phase : DFA - ongoing

Other initiatives within INFF:

Private finance : SDG Investor Map, Responsible green investments (regulation and compliance procedures, green investment facility, blended financing facility, private green bond), Gender Equality Seal.

Public finance : Medium-revenue strategy (IMF), SDG aligned tax framework, TIWB Programme, EDFR.

Monitoring : Systems for tracking public and private expenditure and resources (the Int. Financing Dashboard)

Towards a financing strategy : a) Integration between planning, budgeting, financing processes & accountability systems; b) Align private sector investments to national priorities; c) Integration across government and partners

Country example: Tanzania

- ✓ **The Third National Five-Year Development Plan (FYDP III):** increase production capacity, trade & investment, human development
- ✓ **Financing needs:** \$49.6 billion, with 65% from public sources and 35% from private financing
- ✓ **Integrated National Financing Frameworks:** the first integrated Financing Strategy
- ✓ **Partners:** UNDP, UN Women, World Bank, IMF, Finland.



Governance : INFF Steering Committee – building on the existent Inter-Ministerial Technical Committee within the National Coordination Framework

Initiatives : SDG Investor Map; SDG aligned tax frameworks
DFA – completed in 2021, recommendations:

Private finance : bank financing, venture capital, corporate bonds, private equity, private sector investment, FDI, PPP.

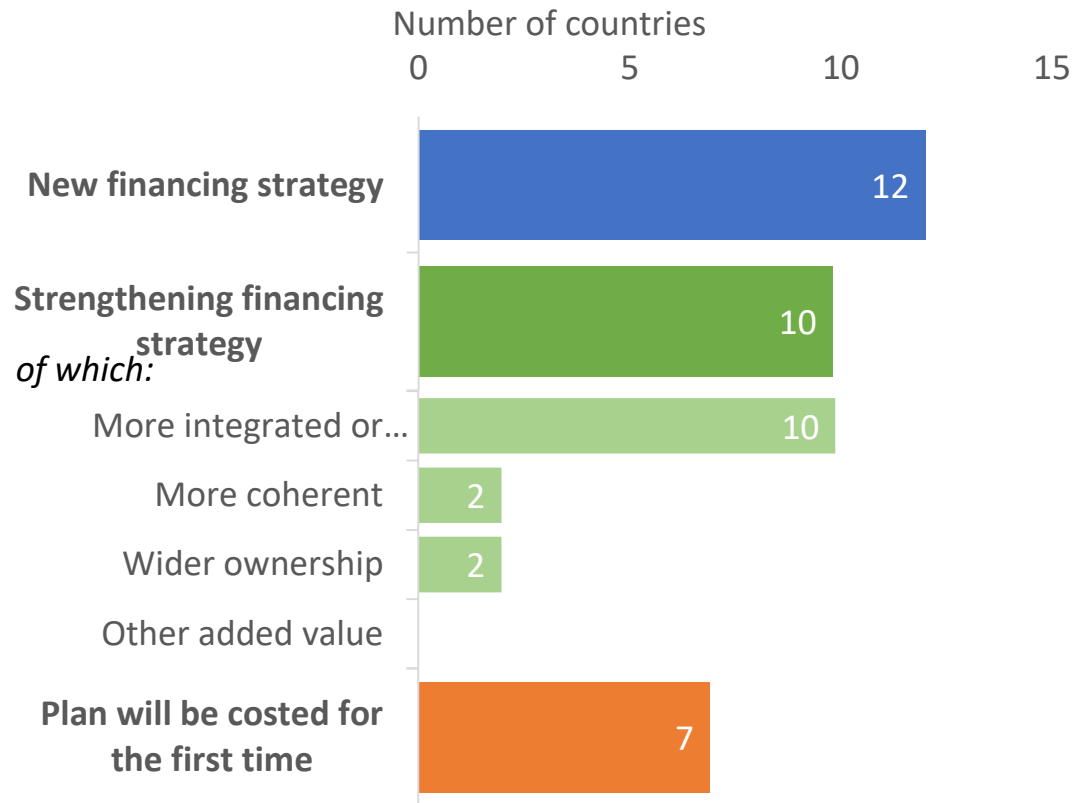
Public finance : domestic revenue, ODA grants and loans.

Monitoring and coordination : monitoring tools, participatory platforms towards Integrated Financing Dialogues

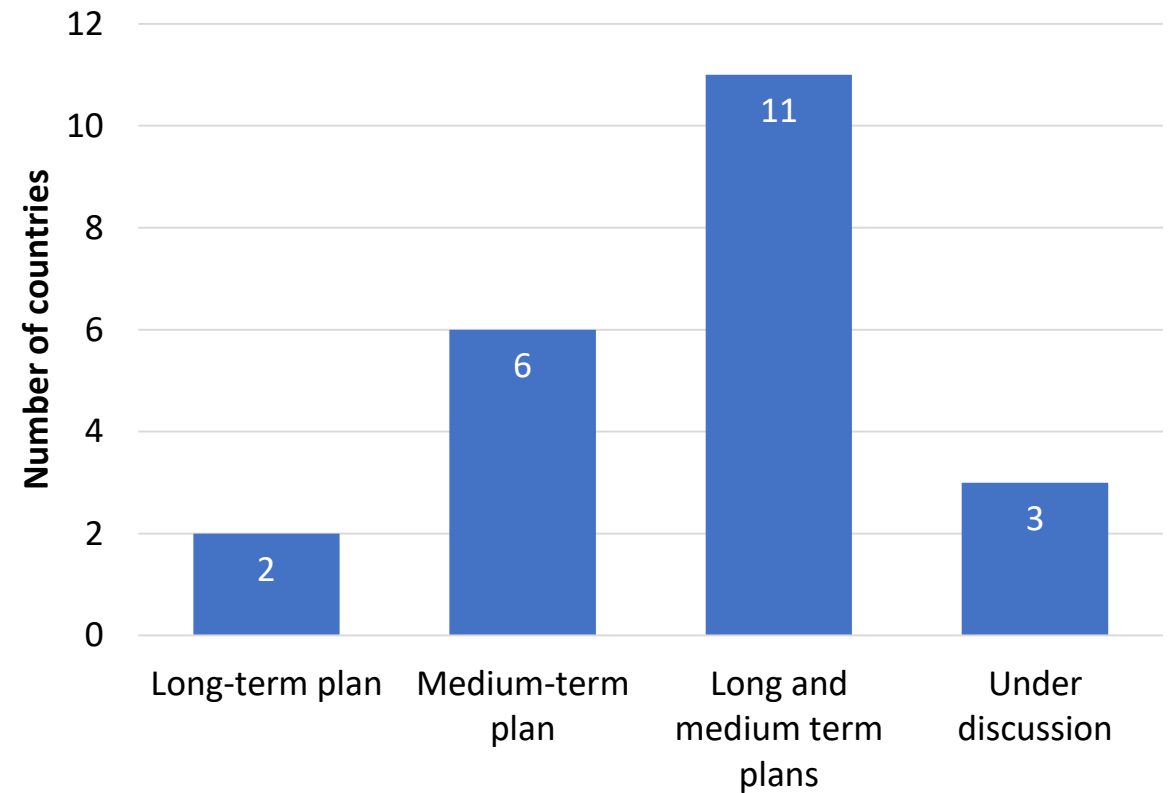
The financing strategy : a) Integration between planning, budgeting, financing processes and accountability systems
b) Integrating public and private finance policies
c) Integration across government and partners

Financing strategies LDCs

Financing strategies: added-value



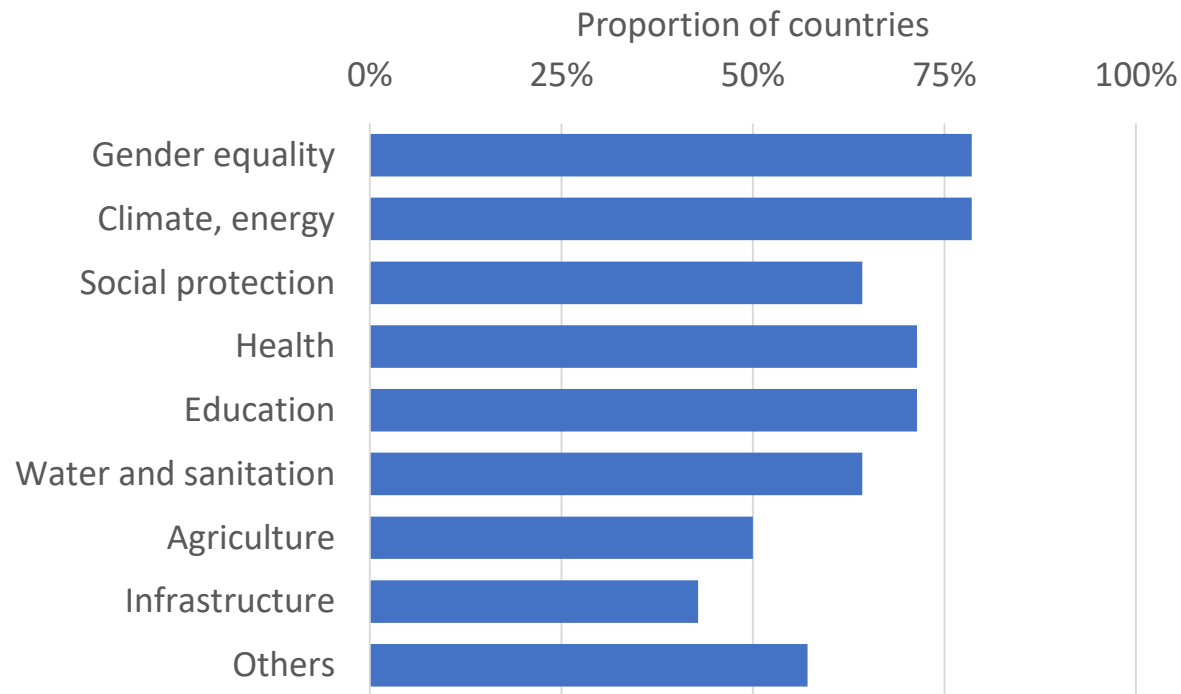
Financing strategies related to plans



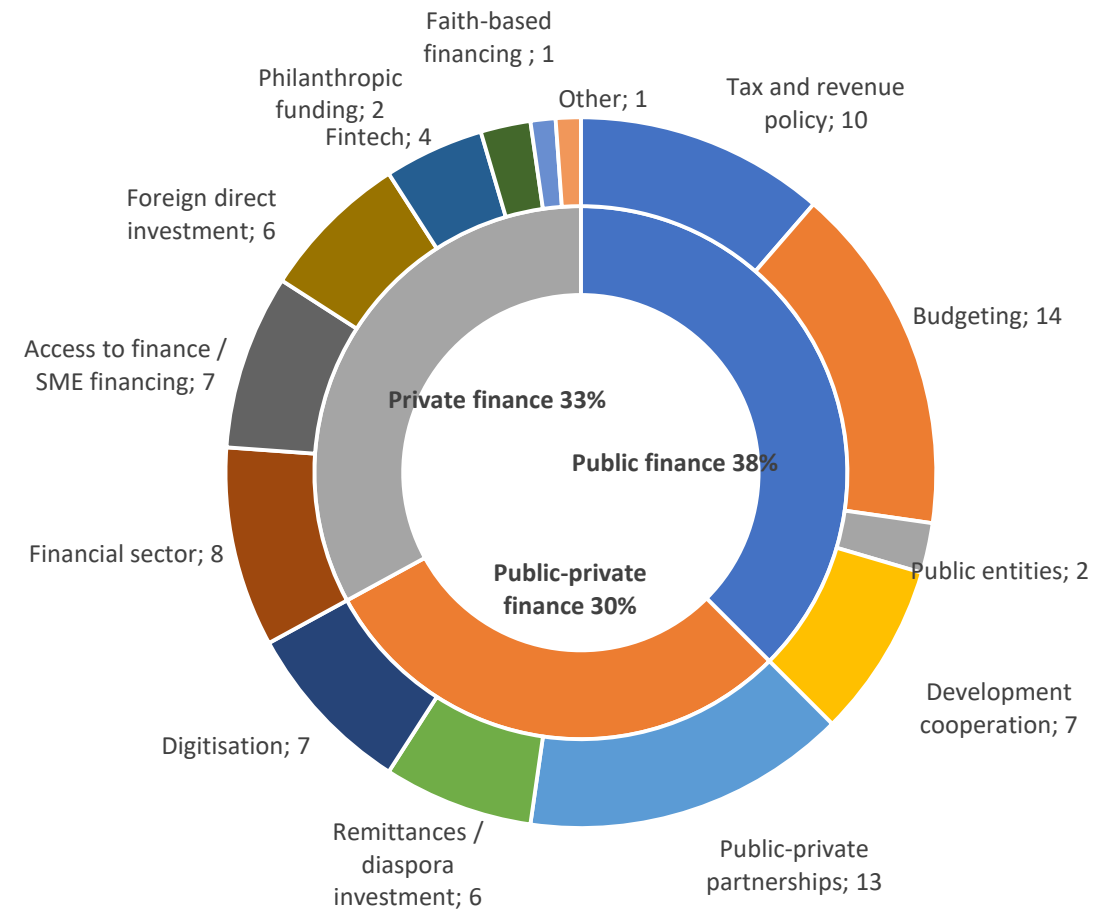
Financing strategies

LDCs

Thematic focus



Reforms: policies, regulations, instruments, institutional capacity



Country example: Timor-Leste

- ✓ **Timor-Leste Strategic Development Plan** (2011-2030)
- ✓ **INFF pioneer:** commitment made at the 2019 UN General Assembly
- ✓ **Integrated National Financing Frameworks:** creating a framework to reinforce public finance reform and support financing private investments in SDP, including blue economy focus
- ✓ **Partners:** UNDP, WHO, IOM, EU



Governance : UPMA and Ministry of Finance co-leadership; INFF Secretariat arrangements being finalized; INFF trainings planned

Inception phase : DFA completed; INFF Roadmap currently under development.

Other initiatives within INFF:

Private finance: diaspora financing, blue finance options.

Public finance: reinforcing existing PFM reform programme, SDG budgeting, pro-health taxes.

Monitoring: discussions underway in relation to the INFF Roadmap

Towards a financing strategy: INFF Roadmap will set out path toward a financing strategy for SDP to be developed in 2022

How are INFFs being supported?

International partnerships

Collaboration
with other
international
partners

Global – DESA, EU, Italy and IMF

Regional - IMF, Asian Development Bank, Australia

Country level - Islamic Development Bank, Germany, Joint SDG Fund, Slovakia, UK, World Bank and others



Australian Government
Department of Foreign Affairs and Trade

21 UN
organisations
supporting
governments to
operationalise
INFFs



INFF Facility

Global and
regional
levels

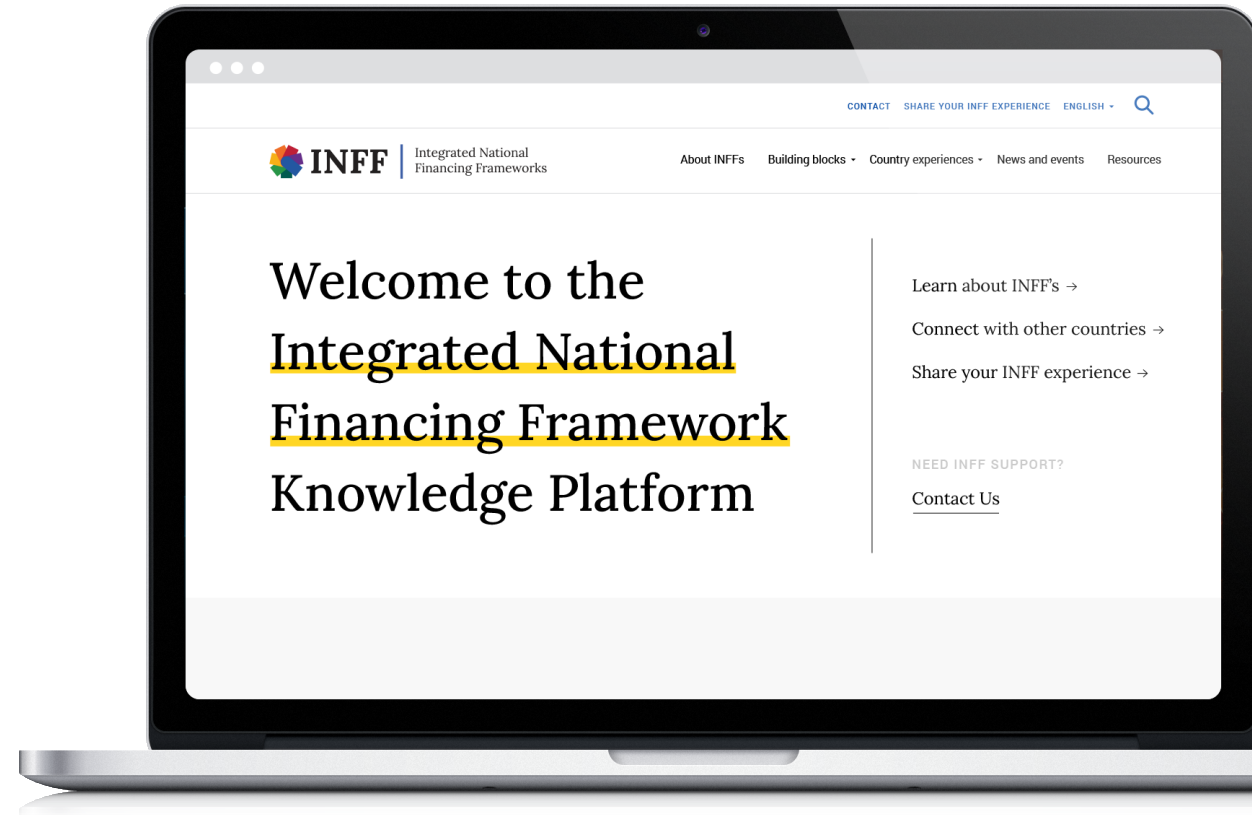
- Methodological work led through IATF
- inff.org knowledge platform: learn, connect and share INFF experiences
- global and regional peer exchange
- INFF training

Country
level

- Technical support for INFF processes
- Capacity development
- Partnerships and collaboration

The INFF Knowledge Platform supports a growing community of practice.

As more countries develop and strengthen their INFFs, the INFF Knowledge Platform provides a digital space for practitioners to access the information they need to implement INFFs, connect with other stakeholders and discover new knowledge and experiences from INFFs around the globe.

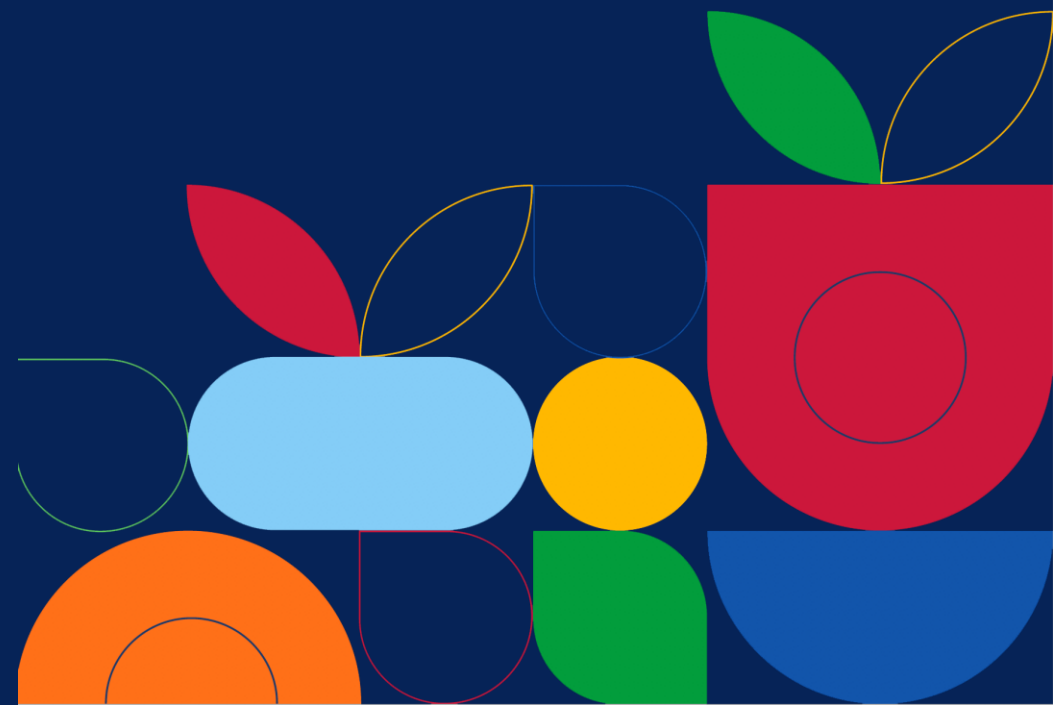


Thank you!

www.inff.org



@INFFplatform



Additional slides



Example BB2 - Why is it important



- ❖ Streamline existing approaches and tools into one framework
- ❖ Find solutions to close financing gaps, overcome constraints and make the most of financing opportunities
- ❖ Identify financing policies that are
 - risk-informed
 - take equity, social and environmental concerns into account,
 - addressing potential spill-overs and trade-offs



Example BB2 - Suggested approach

STEP 1

ESTABLISH FINANCING POLICY OBJECTIVES

Start with findings from Building Block 1 (financing gaps, risks, binding constraints).

Identify scope of the financing strategy, specific financing policy objectives.

STEP 2

IDENTIFY POLICY OPTIONS

Identify existing policies, regulatory measures, instruments.

Identify additional options based on international good practice or experience from peers.

STEP 3

POLICY PRIORITISATION

Shortlisting based on:

- Macro (consistency with macro-objectives), coherence (sustainability /trade-offs/ win-wins), and risk checks;
- Preconditions, resource requirements.

STEP 4

OPERATIONALISATION

Formulate a concise strategy to:

- Bring together existing approaches;
- List of action on reforms, new instruments.