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**THIS ACTION IS FUNDED BY THE EUROPEAN UNION**

**ANNEX 5**

to the Commission Implementing Decision on the financing of the multi-annual action plan for  
Global Challenges (Partnerships) for 2024 -2026

**Action Document for “Integrated National Financing Frameworks (INFFs)”**

**MULTIANNUAL PLAN**

This document constitutes the multiannual work programme within the meaning of Article 110(2) of the  
Financial Regulation, within the meaning of Article 23 of the NDICI-Global Europe Regulation.

## 1 SYNOPSIS

### 1.1 Action Summary Table

<b>1. Title CRIS/OPSYS business reference Basic Act</b>	Integrated National Financing Frameworks (INFFs) Phase 2 OPSYS : ACT- 62484  Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
<b>2. Team Europe Initiative</b>	No.
<b>3. Zone benefiting from the action</b>	The action shall be carried out globally for the benefit of developing countries.
<b>4. Programming document</b>	Multiannual Indicative Programme for ‘Global Challenges’ Thematic Programme 2021-2027
<b>5. Link with relevant MIP(s) objectives / expected results</b>	‘Partnerships’ pillar, Specific objective 2: Stronger economic governance and inclusive societies
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>	
<b>6. Priority Area(s), sectors</b>	Good Governance — Financing sustainable development – Public Finance Management/ Domestic Revenue Mobilisation – Banking and financial services – Business
<b>7. Sustainable Development Goals (SDGs)</b>	Main SDG: 17 Strengthen the means of implementation and Revitalise the global partnership for sustainable development Other significant SDGs: SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels SDG 1: End poverty in all its forms everywhere SDG 5 : Gender equality SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all SDG 10 : Reduced Inequalities

	SDG 13: Take urgent actions to combat climate change and its impacts				
<b>8 a) DAC code(s)</b>	15110 – Public sector policy and administrative management 15111 – Public finance management 15114 – Domestic revenue mobilisation 24010 – Financial policy and administrative management 25010 – Business policy and administration				
<b>8 b) Main Delivery Channel</b>	41100 UN Entities				
<b>9. Targets</b>	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input checked="" type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance				
<b>10. Markers (from DAC form)</b>	<b>General policy objective @</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>	
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Aid to environment @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Inclusion of persons with Disabilities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>	
	Biological diversity @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Climate change mitigation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Climate change adaptation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	<b>11. Internal markers and Tags:</b>	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
		Digitalisation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
digital connectivity		<input type="checkbox"/>	<input type="checkbox"/>		
digital governance		<input type="checkbox"/>	<input type="checkbox"/>		
digital entrepreneurship	<input type="checkbox"/>	<input type="checkbox"/>			
digital skills/literacy	<input type="checkbox"/>	<input type="checkbox"/>			

	digital services	<input type="checkbox"/>	<input type="checkbox"/>	
	Connectivity @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	digital connectivity	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	
	energy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	transport	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	education and research	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Migration @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities1 @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>BUDGET INFORMATION</b>				
<b>12. Amounts concerned</b>	Budget line(s) (article, item): 14.020243 - Partnerships Total estimated cost for 2024: EUR 1 000 000 Total amount of EU budget contribution for 2024: EUR 1 000 000			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>13. Type of financing<sup>2</sup></b>	Indirect management with UNDP and UNDESA.			

## 1.2 Summary of the Action

**Integrated national financing frameworks (INFFs)** were proposed initially in 2015 in the Addis Ababa Action Agenda to support the financing of sustainable development strategies. Since 2019, the EU has been playing a leading role in supporting INFFs and building an INFF multilateral initiative together with UN partners. Several EU Member States have showed increased interest in pursuing INFFs in a Team Europe approach. The EU support aligns with global support for INFF, such as the IMF and the G20.

INFFs help governments to map the financing resources at their disposal to finance the SDGs, from a public or private, domestic and/or international sources. They help spell out **how the national strategy on SDGs will be financed**. This includes, by developing and putting in place the necessary “financing” reforms and governance to achieve the SDGs (e.g. improving revenue collection, spending efficiency, debt management and transparency) including the financing strategies to leverage private sector participation in SDG investments.

Over the past two years, the EU has supported the development of an **Integrated National Financial Framework Facility, the INFF Facility**, together with INFF partners United Nations Development Programme (UNDP), UN Department of Economic and Social Affairs (UNDESA), EU, Sweden and Italy. The INFF Facility supports country-led INFFs with methodology development, guidance, advise, and knowledge dissemination in order to help national authorities to translate the INFF methodology into national action.

<sup>1</sup> For more information, please consult: The European Commission inequality marker - Publications Office of the EU (europa.eu) and Inequality Marker – Complementary Guidelines Application of the I-Marker to SSC fiches and Action Documents | Capacity4dev (europa.eu)

<sup>2</sup> Art. 27 NDICI

**This action will follow-up to the previous contributions to the INFF Facility.** This support will also enhance the effectiveness of other EU contributions to INFFs through the UN Joint SDG fund. (The SDG Fund supports 69 out of the 86 countries currently implementing INFFs, with global coordination and technical support provided by the INFF facility.)

The demand and interest for INFFs is increasing and work for the INFF Facility has taken up significantly. The aim of this action is therefore to ensure the continuity of the support and to allow the INFF Facility to scale up its response to the increasing demand from countries. It is also an opportunity to catch up on international agendas and the effort on mobilisation of private finance for development and green purposes.

### 1.3 Zone benefitting from the Action

The action shall be carried out globally for the benefit of developing countries.

## 2 RATIONALE

### 2.1 Context

The crises of recent years have dramatically impacted EU partner countries and exacerbated financing needs. INFFs provide a key tool to help countries strengthen their planning processes and overcome impediments such as conflicting priorities, to financing sustainable development at country level and address the financing challenges linked to the multifaceted crisis context. INFFs provide a holistic approach by supporting countries to get a full overview of their international and domestic sources of funding, both public and private. Further, INFFs provide a mechanism to identify and address the synergies and trade-offs between sectors and financing areas, and a platform for deepening dialogue and collaboration between public and private actors. INFF provide a key planning and strategic tool to deliver on the Paris Agreement, the SDGs, the Addis Ababa Agenda for Action, and biodiversity goals.

INFFs are developed and implemented through four building blocks: assessment and diagnostics, financing strategy, monitoring and review, governance and coordination. They are a means for countries to strategise on a long-term basis the necessary “*financing*” reforms and governance to achieve their Sustainable Development objectives and help improve revenue collection, spending efficiency, debt management and transparency but just as importantly also by creating enabling environments that leverage private sector participation in SDG investments and accelerate the expansion of domestic financial markets. An increasing amount of INFFs have strong components linked to sustainable finance and thereby can build important synergies with EU efforts to develop sustainable finance frameworks and sustainability-related financial instruments, e.g. the TEIs Sustainable Finance Advisory Hub and the Global Green Bond Initiative. The INFF initiative thereby can play an important role in the implementation of the EU Global Gateway and cement the EU’s position as a key partner for developing solid financing strategies and supporting countries in their transition to a sustainable economy.

This action aims more specifically at supporting **the INFF Facility** established in 2022 which aims to provide guidance, advice and support to governments to operationalise the four building blocks of an INFF and improve their knowledge and ability to make the most effective use of the INFFs. This will contribute to the development of financing strategies to help achieve the SDGs, Paris Agreement objectives, and Global Biodiversity framework and to finance a sustainable and inclusive transition.

The action intends to contribute to priority area 2 of the MIP - Stronger economic governance and inclusive societies. It will support partner countries to mobilise and allocate the maximum available resources to realise human development, in line with the priority area 1 (People).

### 2.2 Problem Analysis

### Short problem analysis:

The crises of recent years have dramatically impacted EU partner countries' ability to achieve the SDGs and the Paris Agreement by severely limiting their financial resources, be they domestic or international, while public debt vulnerabilities have increased and international capital have significantly flown out.

Holistic and long-term financing strategies have become all the more crucial to establish more adaptive, resilient and robust financing approaches to manage risks and more generally achieve the SDGs. INFFs are particularly relevant in the current crisis context. Lack of integrated approaches to sustainable development and financing have made countries vulnerable to this crisis. In the short-term, some of the INFF elements can be implemented and help guide the crisis response.

While a country's sustainable development strategy lays out **what** needs to be financed, INFFs spell out **how** the national strategy will be financed and implemented, relying on the full range of financing sources. INFFs look at financing in a comprehensive way and, by establishing a full overview of the financing sources (public, private, international and domestic), allow to more easily identify the crucial levers to meet national development plans.

The INFF Facility supports countries to operationalise the INFFS , and developing INFF-related products (e.g. Development Finance Assessments, financing roadmaps, financing strategies, green tax systems to leverage public finance) through methodological and technical assistance.

### Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action:

The key to the success of an INFF is that it is country-led with strong local ownership. The INFF methodology builds on an inclusive process in which various layers of stakeholders in society participate, from top government to local authorities and civil society, including the stakeholders of the country financial system.

The stakeholders at country-level vary from one country to the next but usually include national and sometimes sub-national governments and various ministries e.g. Prime Minister, Ministries of Finance, Budget, Planning, Economy, Environment, Ministry of Women or Gender etc. within the INFF Oversight Committee, Central bank, public, national development and commercial banks, institutional investors as well as various actors within the private sector, civil society, trade unions, rights-holders etc. Specific support to country processes is further provided from EU through the SDG Fund and under national MIPs. EU Delegations and EU MS are encouraged and supported to engage at country level to increase EU visibility and insights in the INFF initiative, and to maximise coordination and synergies with other actions.

This action will be implemented through indirect management - contribution agreement(s) with UNDESA and UNDP, which have specific expertise in providing methodological and technical assistance on implementing INFFs, including on how to mainstream gender equality in INFFs. UNDESA has a mandate to lead on Financing for Sustainable Development issues and coordinate the Inter Agency Task Force on Financing for Sustainable Development. In particular, it has developed the INFF methodology. It leads on global guidance work and knowledge management and is in charge of technical backstopping and coaching for experts. UNDP has strong expertise and operational capacity and leads UN country-level work on financing for development issues. It leads support to partner countries on INFFs in most cases. It manages the INFF knowledge platform, facilitates regular dialogue and exchange between countries, regionally and globally.

The INFF Facility is a platform that provides technical support for INFF implementation and allows countries to share their knowledge and experiences. It is a source of knowledge and technical support on INFFs, strengthening the image of INFFs as the go-to framework for financing sustainable development at the national level. It institutionalises ongoing cooperation on INFFs among UNDP, UN DESA, OECD, with active engagement from the financiers EU, Sweden Italy and Spain, thus ensuring a fine-tuning of the

methodology based on country experience.

### 3 DESCRIPTION OF THE ACTION

#### 3.1 Objectives and Expected Outputs

Overall objectives:

The INFF facility aims to support the implementation of INFFs worldwide in order to mobilize and align financing with sustainable development priorities to achieve the SDGs and promote a green and inclusive transition.

Specific objectives of the action:

- A) To further develop of the INFF methodology, and provide guidance, advice and support for governments to operationalise the four building blocks of an INFF and strengthen specific aspects of INFF processes;
- B) To improve the knowledge of national institutions and their ability to make the most effective use of investment for sustainable development through the operationalization of INFFs.

The Outputs to be delivered by this action contributing to the Specific Objectives are:

- 1) Governments and their partners have access to guidance documents, knowledge products and knowledge exchange to improve their knowledge and capacity in support of the operationalisation of INFFs, mainstreaming and strengthening gender equality, inclusion, environment and climate aspects.
- 2) Strengthened collaboration across government, civil society, private actors and development partners to ensure national institutional functions are in place to design and implement inclusive financing policies and reforms
- 3) Improved knowledge and capacity of governments and their partners to design and implement financing strategies and reforms to advance their development agenda, in coherence with their environment and climate goals, and gender and human rights perspective.
- 4) Strengthened agenda setting and coherence across international partners in supporting INFFs

#### 3.2 Indicative Activities

Activities relating to Output 1:

Activity 1.1: Strengthening global guidance, learning resources and training materials

The INFF Facility will continue to dynamically develop and enhance the INFF methodology to ensure that policymakers and practitioners have access to technical guidance and insights that help them design each element of the INFF process.

Activity 1.2: Systematise INFF certification and training across Facility

The INFF Facility will systematise INFF certification and training across the Facility advisory services and activities to ensure backstopping and alignment with the INFF methodology.

Activity 1.3: Facilitating exchange of experiences and insights on INFF implementation

The Facility will provide platforms for regular exchange of experiences, challenges, successes and innovations in countries' experiences as they design and deliver INFFs.

Activities relating to Output 2:

#### Activity 2: Supporting the delivery of financing strategies and the reforms they prioritise

The INFF Facility will provide technical assistances to support governments to implement the financing strategies designed through their INFF processes. This includes technical assistance and capacity building focused on delivery of the reforms prioritised through financing strategies. This in turn will also support the conditions for transition to a green economy in line with countries' international commitments and national environment, biodiversity, climate and/or development strategies, and support efforts to scale up sustainable finance

Activities relating to Output 3

#### Activity 3: Informing the design and building institutional capacity to deliver INFFs

The INFF Facility will provide support for assessments and diagnostics stakeholders' mapping exercises that inform the design of INFFs, improve the knowledge of governments over the financial resources at their disposal and their ability to make the most effective use of investment for sustainable development through financing strategies, and will support governments to strengthen capacity and institutional functions to deliver INFFs

Activities relating to Output 4:

#### Activity 4: Engaging with global SDG finance agendas and promoting coherence with INFFs by international partners

The Facility will engage in global processes to influence SDG financing agendas, share experiences of innovation and outcomes at the country level, and advocate for international engagement and alignment with country-led INFFs. This will include the annual Financing for Development Forum and the High-Level Dialogue, and other processes such as the High-Level Political Forum and SDG Summit, UN General Assemblies, UNFCCC and COP process, LDC programme of action. It will also include engagement with the G20, following up on the G20 Framework for Voluntary Support on INFFs which was endorsed by G20 Leaders in October 2021.

### 3.3 Mainstreaming

#### **Environmental Protection & Climate Change**

The action aims to integrate and promote environmental and climate objectives, in line with the Green Deal. This will be done by supporting countries to develop financing strategies that underpin their environmental ambitions in their NDCs. Outcomes of the Strategic Environmental Assessment SEA screening (relevant for budget support and strategic-level interventions) concluded that no further action was required. The EIA (Environment Impact Assessment) screening classified the action as Category C (no need for further assessment). Outcome of the CRA (Climate Risk Assessment) screening concluded that this action is no or low risk (no need for further assessment)

#### **Gender equality and empowerment of women and girls**

As per the OECD Gender DAC codes identified in section 1.1, this action is labelled as G1.

Gender equality is an overarching factor in the achievement of the SDGs. Women and girls are more affected by poverty; with more informal and unpaid work they tend to be more in lack of social protection. They have more limited access to education and resources and depend more on public services. They are also impacted differently by the effects of climate change. Despite these particular needs and interests, women are often excluded from decision-making processes, including regarding financing policies. The SDG 5 – Gender Equality – is also one of the three least financed SDGs globally.

Gender-responsive financing strategies, fiscal policies, tax systems, subsidies, development plans, and budgets can have a catalytic role in gender equality. The INFF Facility has developed a guidance note on [Mainstreaming gender equality in INFFs](#). UN Women is providing technical backstopping to the INFF Facility to ensure a gender lens is adequately built in the activities.

The EU is committed to advancing gender-responsive public finance management through the GAP III, in particular to its thematic area of engagement “Addressing the challenges and harnessing the opportunities offered by the green transition and the digital transformation” and “promoting economic and social rights and empowering girls and women” as well as to financing and support for investment in gender-responsive national climate, environment and disaster risk reduction strategies. The action is well aligned with these commitments and will ensure gender is mainstreamed at all stages of the intervention cycle.

### **Human Rights**

An INFF helps a country to get an overview of international and domestic sources of funding, both private and public. It increases the resilience and has the potential to contribute to the implementation of all SDGs and the realisation of human rights for all. The action will implement at all stages a human rights based approach, supporting partner countries in facilitating access to transparent information, ensuring the principle of non-discrimination is applied at all times and contributing to the empowerment of excluded groups, including women, people with disability and other groups in more vulnerable situations through the support to more inclusive and effective financing policies. The INFF Facility has developed a guidance note on INFFs [Leaving no one behind](#).

### **Disability**

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. Disability inclusion is not an objective of this action. However, inclusion of persons with disabilities is an integrated part of the Leaving no one behind approach of the INFFs.

### **Reduction of inequalities**

Through the development of INFFs in low- and middle-income countries, the action aims to support countries' national development strategies and SDGs, and the 2030 Agenda's principle of leaving no one behind.

### **Democracy**

An INFF helps a country to get an overview of international and domestic sources of funding, both private and public for the implementation of all SDGs, including the promotion of democracy.

### **Conflict sensitivity, peace and resilience**

An INFF can help a country increase its resilience and has the potential to contribute to the implementation of all SDGs, including a do no harm approach.

### **Disaster Risk Reduction**

Countries implementing an INFF increase their chances of preventing new, reducing existing and managing residual disaster risk by putting forward a solid financing strategy. The financing strategy will avoid short-termism and promote a financing system and budget that reduces the consequences of potential disaster risks.



### 3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
Implementation risks	Lack of national ownership and leadership for INFFs Incapacity to embrace all the dimensions of the INFF	Low	High	The implementing partners work closely with national actors, to make sure that they understand the approach, its value and the process involved, and that the strength of local ownership is well understood. Raising awareness and participation across government, private sector, parliament, civil society and others is a pillar of INFF from the inception phase onwards and helps to ensure broader, sustained ownership. Effort to keep INFFs up-to-dated and integrate the developments of international agendas
Implementation risks	Partnerships with IFIs and other international organisations deteriorate; other platforms compete with the INFF approach	Low	Medium	The implementing partners maintain close relationships and regular dialogue with a growing number of key partners including EUDs, other organisations within the UN system, IFIs and development partners that are active in SDG Financing issues. The INFF Facility will pursue deeper partnerships with these actors over time and continue outreach to other institutions with whom there is not yet close collaboration. The INFF will also coordinate closely with the Sustainable Finance Advisory Hub, where UNDP is a key implementing partner.
Political risks	Disruptions and risks of discontinuation due to multiple crises/ global geopolitical and economic context	Medium	High	In terms of prioritisation of the INFF versus more immediate national priorities to deal with the impacts of crises, regular communications from the INFF Facility will help to market the opportunity that INFFs offer to deal with both long- and short- term financing challenges.
Corruption risks	Corruption limits the achievement of results	Low	Medium	The INFF approach places a central emphasis on strengthening governance, transparency and accountability, and building collaboration and dialogue among partners at the country level. Activities at the country level are designed in collaboration with Ministries of Finance and other INFF Oversight

				Committee members and will seek to strengthen these elements of INFFs to mitigate and reduce risks of corruption. Where corruption represents a critical blockage to financing for sustainable development, this will be identified through INFF diagnostic tools and solutions.
External environment	Limited engagement in favour of gender equality and the empowerment of women, a human rights-based approach	<b>Low</b>	<b>Medium</b>	The action will provide adequate resources to work with institutions on the importance of integrating gender equality, and a human rights-based approach

**Lessons Learnt:**

The success of the action depends on the willingness of national governments and local stakeholders to engage and pursue a successful INFF implementation at country level. It is also important that in-country dialogue between all stakeholders, including between UN agencies and EU Delegations, is well-functioning. Identified risks are related to ensuring and communicating the complementarity of the INFFs with other initiatives to show the benefits of an INFF. This action aims to mitigate these risks by providing countries with solid expert support in implementing INFFs, based on a clear methodology.

### 3.5 The Intervention Logic

The INFF Facility supports the operationalisation of the INFFs. It provides guidance, advice and support to governments to operationalise the building blocks of an INFF and improve their knowledge and ability to make the most effective use of the INFFs. This will contribute to the development of financing strategies to help achieve the SDGs, Global Biodiversity framework and Paris Agreement objectives and to finance a sustainable and inclusive transition.

INFFs are indeed an instrumental means for countries to strategise on a long-term basis the necessary “*financing*” reforms and governance to achieve their Sustainable Development objectives and help improve revenue collection, spending efficiency, debt management and transparency but just as importantly also by creating enabling environments that leverage private sector participation in SDG investments and accelerate the expansion of domestic financial markets.

The Facility also supports increased alignment and coherence of international partners in supporting INFFs. Ultimately, these immediate outcomes will contribute toward strengthened national financing systems in support of SDG-aligned national development plans, and the mobilization and alignment of financial resources with national sustainable development priorities.

### 3.6 Logical Framework Matrix

This indicative logframe constitutes the basis for the monitoring, reporting and evaluation of the intervention. On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

PROJECT MODALITY (3 levels of results / indicators / Source of Data / Assumptions - no activities)

Results	Results chain (a): Main expected results (maximum 10)	Indicators (a): (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
<b>Impact</b>	To support the implementation of INFFs worldwide and to mobilize and align financing with sustainable development priorities to achieve the SDGs and promote a green transition	<p>Number of countries that are delivering SDG financing reforms prioritised by the INFF</p> <p>Number of countries with financing strategies or reforms that address climate priorities or NDCs</p>	tbc	tbc	Annual INFF survey	<i>Not applicable</i>

<b>Outcome A</b>	Improved knowledge and capacity of national institutions to support the operationalization of INFFs.	Number of countries supported with technical assistance or capacity building to design and deliver financing strategies for national environment, biodiversity, climate, development or sustainable finance strategies	tbc	tbc	INFF reporting	
<b>Outcome B</b>	To further develop of the INFF methodology, and provide guidance, advice and support for governments to operationalise the four building blocks of an INFF and strengthen specific aspects of INFF processes.	Number of countries having benefitted from policy advice to inform, design, and implement financing strategies for national environment, biodiversity, climate, development or sustainable finance	tbc	tbc	INFF reporting	
<b>Output 1 relating to Outcomes</b>	Strengthened collaboration across government, civil society, private actors and development partners to ensure national institutional functions are in place to design and implement inclusive financing policies and reforms.	Number of country experiences and theories of change documented	tbc	tbc	INFF reporting	
<b>Output 2 relating to Outcomes</b>	Improved capacity of governments and their partners to design and implement financing strategies and reforms to advance their development agenda	Number of country experiences and theories of change documented	tbc	tbc	INFF reporting	
<b>Output 3 relating to Outcomes</b>	Governments and their partners have access to guidance documents, knowledge products and knowledge exchange in support of the operationalisation of INFFs to improve their knowledge	Number of analytical, methodological, and training products developed or updated  Number of countries that share experiences in knowledge exchanges	tbc	tbc	INFF reporting	

<b>Output 4 relating to Outcomes</b>	Strengthened agenda setting and coherence across international partners in supporting INFFs	Number of international partners that participate in knowledge exchanges or coordination events	tbc	tbc	INFF reporting	
		Number of global process reference documents that make prominent reference to INFFs			Outcome documents and major publications from relevant global processes	

## 4 IMPLEMENTATION ARRANGEMENTS

### 4.1 Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with partner countries.

### 4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of adoption by the Commission of this Financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer in duly justified cases.

### 4.3 Implementation Modalities

The Commission will ensure that the EU rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures<sup>3</sup>.

#### 4.3.1 Indirect Management with an entrusted entity

This action may be implemented in indirect management with UNDP and UNDESA

A part of this action, with the objective of responding to demand from countries through methodologic guidance and learning from the experience of others as well as to access global and regional tools, resources and sights, may be implemented in indirect management with UN Department of Economic and Social Affairs (UNDESA).

This implementation entails outputs 1-4 as described in Section 3.6.: The envisaged entity has been selected using the following criteria: it leads on global guidance work and knowledge management. UNDESA's role as the coordinator of the Inter-Agency Task Force on Financing for Development (IATF) will allow for it to bring together the latest thinking on development financing issues from across the IATF. The choice of the partner contributes to a strategic approach to the EU's multilateral engagement as UNDESA is an important policy and strategic interlocutor.

<sup>3</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu). Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

A part of this action, with the objective of brokering technical support and policy advice in response to demand from governments and their partners at the country level and support them in response to the priorities articulated through INFF process, may be implemented in indirect management with United Nations Development Programme (UNDP). This implementation entails outputs 1-4 as described in Section 3.6. The envisaged entity has been selected using the following criteria: strong expertise and operational capacity on Financing for Development issues and wide presence across countries. UNDP is embedded in INFF processes as the lead technical agency supporting governments in more than 70 countries, working closely with more other UN agencies as well as a wide range of other international and national organisations across this portfolio. At the country level, UNDP has been providing support to governments as they shape and institutionalise INFFs and deliver financing solutions in specific areas of public and private financing policy. The choice of the partner contributes to a strategic approach to the EU's multilateral engagement as UNDP is a key implementer for the delivery of the EU's development assistance and an important policy and strategic.

In case an envisaged entity would need to be replaced, the Commission's services may select a replacement entity using the same criteria. If the entity is replaced, the decision to replace it needs to be justified.

#### 4.4 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option)

When the preferred modality of indirect management as described in Section 4.3.1 cannot be implemented due to circumstances outside the Commission's control, the alternative modality for implementing the above-described activities would be direct management (procurement).

#### 4.5. Scope of geographical eligibility for procurement and grants

##### Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation)

#### 4.6. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)
<b>Supporting Integrated National Financing Frameworks (INFFs) through Indirect management</b> with UNDP and UNDESA (contribution agreement)	1 000 000 EUR

<b>Evaluation</b> – cf. section 5.2	may be covered by another Decision
<b>Audit</b> – cf. section 5.3	
<b>Totals</b>	1 000 000 EUR

## 4.7 Organisational Set-up and Responsibilities

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the governance structures set up for governing the implementation of the action. The INFF Facility was launched at the Financing for Development Forum in April 2022 and it also benefit from financial support from Italy, Sweden and Spain. Financing partners, UN agencies and OECD give overall steer to the action, including through regular secretariat-supporting partner meetings.

# 5 PERFORMANCE MEASUREMENT

## 5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

The implementing partners for this action will be responsible for the data collection, analysis and monitoring of the indicators described in section 3. This will not require additional resources beyond those already included in the action. The data collection and analysis will in turn be verified by the Directorate-General for International Partnerships.

All monitoring and reporting shall assess how the action is considering the principle of gender equality and human rights-based approach. Indicators shall be disaggregated at least by sex and as possible by age.

## 5.2 Evaluation

Having regard to the nature of the action, an evaluation will not be carried out for this action or its components.

In case an evaluation is not planned, the Commission may, during the implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluation and, where appropriate, apply the necessary adjustments.

The financing of the evaluation may be covered by another measure constituting a Financing Decision.

### 5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

## 6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

In line with the 2022 “[Communicating and Raising EU Visibility: Guidance for External Actions](#)”, it will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union’s support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.



## Appendix 1 REPORTING IN OPSYS

A Primary Intervention (project/programme) is a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Identifying the level of the primary intervention will allow for:

Articulating Actions or Contracts according to an expected chain of results and therefore allowing them to ensure efficient monitoring and reporting of performance;

Differentiating these Actions or Contracts from those that do not produce direct reportable development results, defined as support entities (i.e. audits, evaluations);

Having a complete and exhaustive mapping of all results-bearing Actions and Contracts.

Primary Interventions are identified during the design of each action by the responsible service (Delegation or Headquarters operational Unit).

The level of the Primary Intervention chosen can be modified (directly in OPSYS) and the modification does not constitute an amendment of the action document.

The intervention level for the present Action identifies as (tick one of the 4 following options):

Action level		
<input checked="" type="checkbox"/>	Single action	Present action: all contracts in the present action