Integrated National Financing Frameworks: Advancing Implementation in Support of Recovery Side event of the FfD Forum, 14 April 2021, 7:30-8:45 am ESDT

Policy makers and practitioners from around the world came together to share early lessons from INFF pioneer countries in a high-level side event at the margins of the 2021 ECOSOC FfD Forum. During the event, UNDP, UN DESA and the European Commission also launched the <u>INFF Knowledge Platform</u>, as the foundation of a growing Community of Practice working to develop and implement INFFs. Around 180 participants attended, reflecting the great - and growing - interest in INFFs. INFFs have been a real success story: after starting off with 16 pioneer countries in 2019, today 71 countries are undertaking INFF processes, with the expansion made possible by funding from the Joint SDG Fund. INFFs have now also been taken up by the G20, and other partners, including the IMF, continue to actively engage at the global and country levels.

Ghana, represented by the Principal Economist of the Ministry of Finance, provided insights into their INFF process. The decision to be an INFF pioneer was driven by the prospect of bringing together all financing policies to address the country's financing challenges, considering the full range of financing sources and comprehensive strategies to effectively manage existing resources and mobilize additional finance. The decision was also based on the desire to scale up partnerships. Ghana believes in decentralization, hence medium-term plans are considered at the regional/district level. As a result, the INFF was implemented using a bottom-up approach, and renamed as an Integrated Assembly Financing Framework (IAFF). The approach is being tested in 5 assemblies, before, hopefully, being replicated in all 255 assemblies. Early lessons learned include the importance to nurture partnerships, to understand the various needs in different regions and the importance of ownership. Challenges faced are data inadequacy, which is mostly constraining in the assessment stage, and financing constraints, which can limit the scope of the process.

UNDP, DESA and the European Commission complemented Ghana's country-specific insight with a global perspective. Findings from a recently completed survey among countries implementing INFFs were shared, highlighting the variety of approaches and focus areas being chosen in different contexts. Participants were encouraged to explore the <u>INFF Dashboard</u>, which presents insight from the survey, and to share updates and insight from their respective countries on inff.org, to help ensure the platform remains up to date and can enable peer-to-peer learning. Speakers stressed that INFFs are not aimed at replacing existing processes but at identifying areas for improvement and gaps, and can provide a 'docking station' for the multitude of existing tools and processes. In this context, DESA provided an overview of the global guidance materials developed by the Inter-Agency Task Force on Financing for Development. The presentation focused on Building Block 2 on the Financing Strategy, which is at the heart of the INFF. Guidance materials should be considered 'living' documents, which will be continuously updated based on country experiences, further underlining the importance of continued dialogue and knowledge exchange.

During the interactive dialogue with participants, panelists clarified that INFFs should not be seen as the only instrument to implement the Addis Ababa Action Agenda, and that they need to be complemented by reforms at the global level to be successful. They reflected on how INFFs can help put an embargo on illicit financial flows by strengthening relevant national processes and institutions, but noted that global action is also needed to ensure there is no destination for such flows; and shared success stories on tax reforms (e.g., in Mongolia) and insight into how the INFF process and the existing guidance material may be adapted to different country contexts (such as transitioning economies, countries in fragile situations and SIDS).