INTEGRATING THE 2030 AGENDA INTO BUDGETING FRAMEWORKS

Objective: This session will allow participants to learn about reforms that provide opportunities for integrating the SDGs into the national budget process.

Background and Rational
Despite the great ambition that has been set within the 2030 Agenda, the good news is that we increasingly have the resources to be able to deliver - both in terms of the financial and the technical know-how. This is particularly the case for the Asia Pacific.

It is within domestic resources that we have seen the most impressive gains across the region – both public and private. It is the processes of managing domestic resources that will enable the achievement of the SDGs. Net government expenditure in developing countries represents approximately $1.9 trillion in the Asia Pacific.

Increased government expenditure has also been accompanied by significant increases in fixed capital formation by the private sector – this represented some regional 23% of GDP in 2012. Whilst international public finance, such as ODA remains a small proportion of the overall finances available for achieving the SDGs it remains critical in a number of Least Developed and Low Income Countries (LDC and LICs) and can be used to leverage further resources behind sustainable development.

With increasing domestic public finance, governments across the region must also strengthen their budget systems to enable decision makers to prioritise the right investments that will accelerate delivery on the SDGs.

With the increasing size of the budget also comes the challenge of spending more and finding new ways delivery through partnerships. And with increasing private sector resources there is not guarantee that the integrated economic, social and environmental objectives of sustainable development will be met. The right policy and institutional frameworks will need to be in place.
A number of countries are working to reform their budget process to enable the types of integrated budgeting that will enable the delivery of the SDGs. This session will allow for countries to exchange their experiences and perspectives in this regard. UNDP has developed services to support governments in reforming their budget processes to integrate the SDGs. While other development partners are focusing on sector and systemic issues related to PFM reforms, UNDP is focusing its services on supporting government to work across ministries of finance, planning, line agencies and sub-national actors – particularly focusing on the cross cutting nature of SDGs. UNDP services address the budget cycle at all stages with particular focus on budget formulation, monitoring and tracking and accountability for performance.

**Facilitated panel discussion** (1 hour)

Chair: Niamh Collier, Deputy Resident Representative, Bhutan

**Panel:**

1. Ministry of Environment and Forestry, Indonesia
   - Dr. Syaiful Anwar, Deputy Director, Directorate for Climate Change Adaptation: Supporting risk-informed planning, budgeting and resource allocation (10 minutes)

2. National Institute of Public Finance and Policy (NFPIP), India
   - Lekha Chakraborty, Associate Professor, National Institute of Public Finance and Policy: How might we build on climate change and gender we look at the SDGs? (10 minutes)

3. National Economic and Social Development Board (NESDB), Thailand
   - Ladawan Kumpa, Deputy Secretary General: Using budget formulation to manage an integrated approach to the SDGs (10 minutes)

**Discussion** (25 minutes)

**Chair and Moderator to wrap up** (10 minutes)
SESSION IA (national)

INTEGRATING THE 2030 AGENDA INTO PLANNING AND BUDGETING

Moderator: Yuba Raj Khatiwada, former Vice-Chairman of National Planning Commission of Nepal
Co-facilitator: Michaela Prokop, Programme Advisor, UNDP

Background and Rationale

While the SDGs are universally applicable, “each government will also decide how these aspirational and global targets should be incorporated in national planning processes, policies, and strategies.” Initial country-level efforts, focused on putting in place the building blocks necessary to support SDG achievement. Many countries are developing institutional arrangements to promote coordination and policy coherence across sectors and government levels, are starting to align national and sub-national development plans and budgets with SDG targets and to assess the availability of data and capacities of data systems to monitor progress.

The next (and often more difficult) stage involves the identification of priorities and areas for ‘acceleration’ and requires approaches that help identify and address the bottlenecks and complex interrelations underlying sustainable development. While the ‘indivisibility’ of the Agenda calls for an integrated approach, implementing the 2030 Agenda will require some level of prioritization as not all goals and targets can be achieved at once. Resources will need to be targeted towards ‘accelerator interventions’ which can trigger progress across multiple goals and targets and across different sectors.

This session will first explore country experiences in aligning visions, strategies and plans with the 2030 Agenda and country-level attempts to identify priorities and then discuss some approaches and methodologies that can help in moving to the next step of addressing gaps and identifying priorities. Session II Supporting Integrated Approaches and Identifying Accelerator Interventions will explore some of these approaches in greater depth.
10:30-11:15  
Aligning Visions, Strategies and Plans with 2030 Agenda/ Integrating 2030 Agenda into Visions, Strategies and Plans  
– Country Presentations  
This part of the session will include three country presentations and a short Q&A.

Bhutan - Bhutan and the Sustainable Development Goals  
Lhaba Tshering, Chief Planning Officer, Gross National Happiness Commission, Bhutan

Malaysia - Integrating the 2030 Agenda: SDG Roadmap Malaysia  
Hidah binti Misran, Deputy Director, Infrastructure and Public Utilities Section, Economic Planning Unit, Prime Minister’s Office, Malaysia

Mongolia - Mainstreaming SDGs into the planning process and identifying priorities in the context of Nepal, Otgonbayar Chimeddorj, Ministry of Finance, Mongolia

Short Q&A

11:15-12:00  
Next Steps, Addressing the Gaps and Identifying Priorities  
This section will focus on a discussion on next steps, on how to address gaps, identify priorities and move towards acceleration. A more detailed discussion on integrated approaches and ways to identify accelerator interventions will follow in Session II.

Questions/issues to be addressed:
What does prioritization mean in the context of the 2030 Agenda? How to balance the ambitions of the Agenda and its indivisibility with the need to identify priorities due to resource constraints (financial, human and institutional capacity constraints)?

What could be criteria for prioritization? (recognizing that criteria will depend on country context, starting point and many other factors):

• Meeting basic needs first: “unfinished business of the MDGs”
• Low-hanging fruit: SDG-capacities method - prioritize goals that are easiest to achieve – as evidenced from the number of countries that have achieved them
• Specific substantive priorities: addressing poverty, inequality and social exclusion; environmental sustainability; climate change mitigation; secure and inclusive societies
• Interactions between substantive priorities: goals that trigger progress across a range of goals – accelerator interventions (discussed in Session II)
• Availability of resources: costs, ownership/ interest by sponsors, funders (private sector) and communities
What kind of (emerging) approaches or tools could help facilitate the identification of priorities?

- Approaches based on quantitative evidence and methods
- Approaches based more on political decisions/ discussions and consultations
- Approaches combining these two

**Short Presentations (5-7 minutes each)**

**Mainstreaming SDGs into the planning process and identifying priorities in the context of Nepal**
Yuba Raj Khatiwada, former Vice-Chairman of National Planning Commission of Nepal

**An Analytical Framework for Identifying Optimal Pathways towards Sustainable Development**
Alberto Isgut, Development Policy Section, UNESCAP

**Multi-criteria Investment Analysis Tool**
Stelios Grafakos, IHS - Erasmus University in Netherlands

**Discussion**

**Short Bios of Speakers/ Country Presenters**

Lhaba Tshering is the Chief Planning Officer at the Perspective Planning Division, Gross National Happiness Commission. He has Master degree in Economics from the University of Wakayama, Japan. He was the recipient of the Fulbright Hubert Humphrey Fellowship 2009-2010. He is currently coordinating and leading the formulation of Bhutan’s next five year plan (12th FYP).

Hidah binti Misran is the Deputy Director, Infrastructure and Public Utilities Section, Economic Planning Unit (EPU), Prime Minister’s Office, Malaysia. Prior to this she worked as Deputy Director, Distribution Section, Head of International Corporation Section, as Deputy Director Corporate Services and International Sector and several other positions at EPU. She holds a B.B.A. in Management, Lamar University, Texas and an M.B.A. from Universiti Putra Malaysia.

Otgonbayar Chimeddorj earned a master’s degree in political science from Jawaharlal Nehru University in New Delhi, India, and a further degree in development policy from the Korea Development Institute School of Public Policy and Management in Seoul, Republic of Korea. She has been an officer in Mongolia’s government for more than fifteen years, and has served in the Ministry of Finance since 2008, where she presently works in the Department of Economic Policy Planning, directing the Macroeconomic Policy Division.
INTEGRATING THE 2030 AGENDA INTO SUB-NATIONAL/CITY-LEVEL PLANNING AND BUDGETING FRAMEWORKS

The important role of sub-national and local governments in achieving the SDGs is long recognized. The UN Secretary General in his Synthesis Report on the Post-2015 Agenda also highlighted the importance of sub-national governments - "many of the investments to achieve the sustainable development goals will take place at the subnational level and be led by local authorities" (A/69/700, para 94). About 65 percent of the SDG indicators are relevant to the Sub-national and local governments.

The Global Taskforce of Local and Regional Governments, in collaboration with UNDP and UN Habitat, have been working on the localization of the SDGs. The taskforce recommends developing an effective multi-level governance framework with active engagement of sub-national and local governments to implement the SDGs. The task force proposes the 4Cs approach – Coherence, Cohesion, and Coordination between national, subnational and local policies, plans and strategies, and Cooperation between all levels of governments and stakeholders.

Budgeting processes should match efforts to bring Coherence, Cohesion, Coordination and Cooperation.

However, the sub-national level governance landscape requires a “transformation” in the Asia-Pacific region in order to establish an effective multi-level governance framework for SDG implementation.

Despite push towards decentralization over the last few decades, governance challenges that affects local governments’ ability to deliver services, and ensure participation of people, particularly marginalized sections of the population remain. These challenges include: unclear functional assignments, poor fiscal decentralization and resource allocation frameworks, lack of administrative capacities, weak planning and budgeting systems, poor expenditure rates, multiple layers of sub-national governments leading to inefficiency, and weak accountability systems.

These governance challenges have a direct implication on the ability of local governments to deliver services. For example: In Indonesia, despite increased levels of investment in the education sector at the district level, evidence points to poor overall governance (i.e. local planning and budgeting)
affecting the quality of education services provided at the district level. Off-budgeting practices in Nepal has had a negative impact on the provision of water services due to lack of coordination among different service providers.

At the same time, sub-national and local governments are also keen on playing an important role in the achievement of SDGs. Sub-national and urban/local governments in several countries (including China, India, Indonesia, Pakistan etc.,) have taken steps to integrate SDGs into local planning and budgeting processes.

**Objective of the session:**

This session explores the efforts by different sub-national governments to prioritize and implement SDGs (including by raising local revenues), and also ensure coherence, cohesion, coordination between national and sub-national policies, strategies, and plans.

Specifically:
- Share tools, methodologies, and approaches for strengthening multi-level governance framework for SDG localization and implementation
- Share tools and approaches for strengthening budgetary processes for SDG implementation
- Build partnerships and opportunities for learning between sub-national and local governments in Asia-Pacific

**Session Format:**
Panel Discussion for 1 hr 30 minutes

Facilitator: Titon Mitra, UNDP Country Director, Philippines (5 min)

**Setting the stage:** The importance of SDG localization at subnational/local level. Key issues and opportunities (with a focus on 'vertical and horizontal' policy coherence).

**Panel:** (10 mins each)
- **Mr. Arum Atmawikarta**, National SDGs Secretariat, Ministry of planning/ BAPPENAS
  *Lessons from Indonesia on localizing the MDGs and recommendation for implementation of Agenda 2030*
- **Mr. Anurag Goel**, Government of Assam
  *Experience from localizing SDGs in Assam (India)*
- **Ms. Leila Magda G. Rivera**, Public Expenditure Management Bureau, Department of Budget and Management, the Philippines
  *Budgeting and mainstreaming SDGs in local budgets*
- **Ms. Shariza Kamarudin**, Programme Manager, Gender Responsive and Participatory Budgeting Programme, Penang Women's Development Corporation
  *Gender responsive budgeting as an accelerator for achieving SDGs*
- **Mr. Patrick Duong**, Regional Advisor on Local Governance and Decentralization, UNDP
  *SDG local governance diagnostic tool*

**Q and A:** 25 min
SESSION 1C (SIDS)

SMALL ISLAND DEVELOPING STATES

The session will be a facilitated discussion to explore the specific challenges/ issues being faced by the SIDS in integrating the 2030 Agenda and SAMOA Pathway into national planning and budget processes and systems.

Moderator: Lizbeth Cullity, RC/RR, UNDP Samoa MCO

Panel discussion followed by facilitated discussion

10:30 – 11:30 Panel Discussion

- MDGs and Mauritius Plan of Action Lessons learned by Tonga – how these will be addressed in new National Strategy (Ma’u Alipate Leha, Principal Economist, Ministry of Finance and National Planning, Tonga)
- Mainstreaming the 2030 Agenda in Timor (Alex Tilman, Public Policy Officer, Gabinete do Primeiro Ministro da Republica Democrática de Timor- Leste)
- Samoa’s experience in preparing their 2030 National Voluntary Report (Peseta Noumea Simi, CEO, Ministry of Foreign Affairs and Trade, Samoa)
- Tailoring SDG in national planning experience of Maldives (Aishath Saadh, Deputy Director General, SDG Unit, Ministry of Environment and Energy, Government of Maldives)
- Pacific SDG Roadmap – current status and future role (Charmina Saili, Regional Planning Adviser PIFS)
- Strengthening data availability and relevance for planners and policy makers (Simil Johnson, Chair of Pacific Statistics Steering Committee)
The facilitated discussion will consider the key challenges for SIDS and identify possible options:

- Lessons learned from MDGs and Mauritius Plan of Action implementation and how these lessons are being addressed in localizing SDGs - what has changed or what is seen as different for SIDS?
- Experience to date in tailoring the SDGs and SAMOA Pathway into new or revised National Strategies and how the silo approach to considering the SDGs by sector agencies can be avoided.
- Defining targets, baselines and indicators - what is considered a manageable number for small administrations?
- Linking national plans to budgets and implementation mechanisms, what are the challenges for SIDS?
- Role of sub-regional reporting.