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

**ANNEX 1**

to the Commission Implementing Decision on the financing of the multi-annual action plan for Global Challenges (Partnerships) for 2023-2024

**Action Document for the European Union contribution to the United Nations' Joint Sustainable Development Goals (SDG) Fund**

**MULTI-ANNUAL PLAN**

This document constitutes the multiannual work programme in the sense of Article 110(2) of the Financial Regulation, and action plan in the sense of Article 23(2) of NDICI-Global Europe Regulation.

**1 SYNOPSIS**

**1.1 Action Summary Table**

<b>1. Title/basic act/ CRIS/ OPSYS business reference</b> <b>Basic Act</b>	European Union contribution to the United Nations' Joint Sustainable Development Goals (SDG) Fund  OPSYS number: ACT-61747  Financed under the Neighbourhood, Development and International Cooperation Instrument ( <u>NDICI-Global Europe</u> ), through NDICI Global Challenges – Partnerships
<b>2. Team Europe Initiative</b>	No
<b>3. Zone benefiting from the action/location</b>	The action shall be carried out at the following location: globally
<b>4. Programming document</b>	NDICI Multiannual Indicative Programme (MIP) for Global Challenges Thematic Programme 2021 – 2027
<b>5. Link with relevant MIP(s) objectives/expected results</b>	Specific objective 1: Enhanced global and multilateral partnerships Strategic cooperation with global and multilateral organisations and processes This Action is meant to promote digital transformation as a catalytic opportunity to accelerate SDG impact.
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>	
<b>6. Priority Area(s) sectors</b>	Priority area 4: Partnerships. Sector: 998 — Unallocated/Unspecified

<b>7. Sustainable Development Goals (SDGs)</b>	Main SDG: SDG 9 — Industry, Innovation and Infrastructure Other significant SDG(s): SDG 4 — Quality Education; SDG 17 — Partnerships for the goals; all others.			
<b>8a) DAC code(s)</b>	99810 - Sectors not specified			
<b>8 b) Main Delivery Channel</b>	United Nations — 41305			
<b>9. Targets</b>	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance			
<b>10. Markers (from CRIS 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and Women's and Girl's Empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade Development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, Newborn 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 type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>11. Internal markers and Tags:</b>	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>
Digitalisation		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Connectivity		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Migration		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reduction of Inequalities		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Covid-19		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>BUDGET INFORMATION</b>				
<b>12. Amounts concerned</b>	Budget line: Partnerships – Global Challenges 14.020243 Total estimated cost for 2023: EUR 30 000 000			

	Total amount of EU budget contribution for 2023: EUR 30 000 000
<b>MANAGEMENT AND IMPLEMENTATION</b>	
<b>13. Type of financing</b>	Indirect management with UNDP (pillar assessed entity) represented by its Multi-Partner Trust Fund Office (MPTFO)

## 1.2 Summary of the Action

In the context of the UN Secretary-General's engagement to accelerate the implementation of the 2030 Agenda for Sustainable Development, the Joint Sustainable Development Goals (SDG) Fund – an interagency and multi-partner trust fund – is meant to stimulate policy action and investment in support of meeting the SDGs.

The EU contribution to the Fund will support country-level activities with multiple UN agencies, funds, and programmes. It shall contribute to the empowerment of the Resident Coordinators (RCs) and UN Country Teams' (UNCTs) action to accelerate SDG implementation, with a high potential to play a significant role at country level and therefore match with several TEIs objectives. By supporting the Fund, the EU therefore also supports the UN Development System (UNDS) reform with the UN Resident Coordinators at its core.

In particular, the EU contribution shall be intended for the new Digital Transformation Window of the Joint SDG Fund (SDGF) at a moment where this Window is ready to be launched (Q3/Q4 2023). The Digital Transformation Window will promote catalytic investments in Joint Programmes (programmes implemented by at least two UN entities) supporting the integration of digital in national strategies, which has been proved to accelerate progress towards achieving the SDGs. Interventions shall ensure that the digital transformation acts on the needs and in the interests of people – to get better services in e.g., healthcare and education, develop better business models, and connect people to the internet. The Commission contributed to shaping the Investment Strategy of the Digital Window (finalised in December 2022) to both make sure that EU strategic priorities were reflected (the Window's "offerings" can relate to Global Gateway digital investments) and that synergies at country level – to promote national priorities – could be ensured through active involvement of EU Delegations and cooperation with the SDGF Secretariat. The EU will sit in the Fund's Technical Team (TT) setting rules for project evaluation and, at each call for proposals (three per year), will have the chance to insist on matching EU policy goals and country programmes.

The EU contribution to the Joint SDG Fund should be communicated through appropriate channels both to the UN hierarchy and Resident Coordinators, but also internally to EU Delegations to ensure that the full potential of the action is seized. To raise awareness, the EU engagement will be highlighted *inter alia* at high level meetings and joint seminars organised by Commission Services and EEAS with Delegations and RCs.

## 2 RATIONALE

### 2.1 Context

On 23 April 2018, the UN Deputy-Secretary General Amina Mohammed, the UNDP Administrator and the Director of UN Development Operations Coordination Office (UNDOCO) launched the Joint SDG Fund in the margins of the Financing for Development Forum in New York to reorient public and private capital towards the Sustainable Development Goals (SDGs) and accelerate their implementation. The aim was to mobilise resources from voluntary donors and provide design and catalytic grants to UN agencies to unblock SDG investment opportunities. Significantly, the Fund was conceived as a key part of the reform of the UN Development System (UNDS) by providing the "muscle" for a reformed generation of Resident Coordinators (RCs) and UN Country Teams (UNCTs).

The Fund is operational since 2019 and promotes integrated policy solutions by means of transformative national Joint Programmes covering the economic, social and environmental dimensions of sustainable development through complex inter-linkages among the 17 SDGs. Its key functions remain: identifying and activating SDG “accelerators” in beneficiary countries; facilitating SDG financing with both public and private sector partners; bringing the UN development system together to deliver results in the field.

By supporting the Fund, the EU takes steps to promote the UN Development System reform and strengthen its contribution to rules-based multilateralism, thereby championing its global participatory leadership. At country level, the empowered UN RC provides a single interlocutor for the EU Delegations and therefore the EU and its Member States can rely on a more coherent cooperation with the UNDS and a better involvement with Team Europe Initiatives and thus the implementation of the Global Gateway strategy. The EU-UN High Level Retreat of 7-8 July confirmed as a priority objective better connecting at country level the RCs/One UN with the EU to ensure joint work for the SDGs and connection with respective policy frameworks (including EU’s Global Gateway and Team Europe Initiatives). The objective of more joined up action has been a subject of comprehensive regional seminars and good practices and recommendations will also be shared with respective systems.

For the implementation phase 2022-2025, the Joint SDG Fund plans 7 thematic priorities and windows: Food Systems and Transformation; Decent Jobs and Universal Social Protection; Localization of the SDGs; Transforming Education; Solutions for Internal Displacement; Climate Action and Energy Transitions; and Digital Transformation.

The purpose of the present Action is to contribute to the Digital Transformation Window of the Fund. This Window is a new one for the existing Fund. EU’s contribution has been the subject of exchanges between the UN and the Commission, underscoring the priority which is given to Digital Transformation on both sides. This Action aligns with the EU’s overall multilateral agenda as well as its ongoing digital work in the context of multilateralism, while also supporting the ‘country-packages’ approach being implemented by the Commission. The importance of focusing on Digital and the SDGs is politically paramount given the SDG Summit of 2023 as well as the shaping of the future Digital Global Compact in the context of the One Common Agenda. Significantly, this Action also aligns with Global Gateway investment priorities, digitalisation being one of these. The Fund will indeed help the EU work with partner countries and guide investments in digital providing an opportunity for synergy with GG, as the UN SDGF Digital Window actions are focusing on ‘soft’ offerings, whereas the core of GG digital investment would go to infrastructure (subsea cables, etc.).

The EU has been contributing to the SDG Fund since its inception, with EUR 30 million (third largest donor) covering 2019-2021. In addition, from a Team Europe angle, a strong shared commitment to the Fund emerges remarkably between the EU and its Member States, with the latter being 7 out of the 10 top donors, and Sweden and Spain being the first two contributors. The renewal of the EU commitment to the Joint SDG Fund is in line with the EU and EU Member states efforts to enhance multilateralism and in (indirect) support of the UN Development System reform.

The SDG Fund Digital Window actions will to a considerable extent be geared towards countries which the Commission considers priorities and/or where ‘Digital Economy Packages’ are foreseen. We will target specific countries/regions to have a higher impact and visibility and contribute to the Global Gateway implementation. The Fund’s annual calls (for proposals) will focus on a set of pre-agreed digital domains (‘offerings’) while assuring strong coherence via cross-cutting digital drivers, stemming from the EU digital policy priorities (such as digital human rights, digital capacity building, gender equality, leaving nobody behind).

Given the momentum on digital issues at the UN and in the EU’s policy ambition, the SDG Fund contribution can be an important vector of visibility – both in terms of policy cooperation and communication. The Joint SDG Fund has a global scale and direct backing from the UN leadership and thus it features strong communication and outreach potential.

## 2.2 Problem Analysis

The UN Resident Coordinator system is in its fourth year of implementation, but important challenges remain, in particular with regard to the financing of the system. The Joint SDG Fund aims to operationally support the work of the RCs in achieving the implementation of the 2030 Agenda for Sustainable Development, especially in the current context of severe global crises and conflicts that might jeopardise the achievement of the 2030 Agenda for Sustainable Development.

Demand for support from governments is surging. Since the beginning of the COVID-19 pandemic, there have been requests from more than 100 countries for digital solutions and platforms to the UN. However, wide gaps in digital readiness are emerging. These gaps sometimes exacerbate existing inequalities for the most vulnerable. In low-income countries, 70 percent of households are not yet covered by fixed broadband networks, 33 percent are out of reach of mobile internet (4G), and 234 million fewer women than men use mobile internet. New challenges related to cybercrime, misinformation, discrimination and biases in algorithms, violations of data privacy and digital rights, and data misuse, to name just a few, continue to be worrying issues. At the same time, digital transformation is introducing new challenges to sovereignty, privacy, and other human rights.

The Fund's Digital Transformation Window heads for: narrowing the digital divide in Internet and digital services access, being the main reason for not reaching certain (vulnerable and/or remote) population groups (e.g., during the pandemic); improving therefore the accessibility of social protection (e.g., in the health and education fields); collecting data on fragilities, and fragile persons (e.g., displaced persons, refugees, and migrants); boosting digital literacy and skills for developing auspicious business processes and models.

The Fund provides three distinct advantages as a digital transformation partner to Governments:

- A non-commercial, human-centric, and planet-focused approach.
- The ability to convene and align stakeholders across Government, the private sector, and civil society.
- A focus on inclusion.

In particular, the Digital Transformation Window will provide catalytic investments in Joint Programmes to support digital transformation primarily through:

- strengthening local digital ecosystems (e.g., collaboration with civil society, private sector's capacity development for maintaining digital public goods, etc.) to scale SDG progress,
- providing capacity development, policy advice, and technical support to Governments and stakeholders on key digital solutions, policies, and strategies, including improving data governance to leverage digital for the SDGs and supporting regulatory frameworks that are in line with international human rights and other international standards.
- Facilitating UNDS collaboration to identify, incubate, and operationalize integrated digital offers: in particular, digital public goods that accelerate progress across multiple SDGs while addressing the digital divide to Leave No One Behind.
- Providing funding and technical support to Governments and local stakeholders to pilot innovative financial solutions for inclusive digital transformation (e.g., FinTech).
- Providing thought leadership, knowledge products, stakeholder dialogues and exchanges across various flagship UN digital initiatives including through global communities of practice and South-South and triangular cooperation among countries.

### 3 DESCRIPTION OF THE ACTION

#### 3.1 Objectives and Expected Outputs

The Joint SDG Fund underpins and is coherent with the **global objective** of a reinforced and more efficient multilateral/UN system, with a focus on the reform of the UNDS and strengthening the UNRC system. This is a reaffirmed priority under the Joint Communication on Multilateralism.

While contributing to reinforcing the UN, the Fund supports partner countries in delivery of the 2030 Agenda and the Paris Agreement to help eradicate poverty, reduce inequalities, and achieve sustainable development.

Through the Fund, we support impactful and innovative actions on the ground focused on digital, green and inequalities, directly contributing to reaching the SDGs and at the same time empowering local UN coordination. This shall be done via extensive consultations with the local governments and stakeholders, including the EU Delegations. From an EU perspective we will aim to align activities with digital ‘country-packages’ and countries where digital has been defined as a priority for the EU.

The Digital Transformation Window (DTW) interventions will embrace three overarching **specific objectives** drawn from the Joint SDG Fund Strategy:

1. Promote digital transformation as a catalytic opportunity to accelerate SDG impact;
2. Advance digital transformation informed by UN and EU principles;
3. Leverage the comparative advantages and capacities of the UN development system to bring about integrated support and policies for inclusive digital transformation.

**Expected outputs** related to the above objectives include (examples):

1. Creating interventions that make use of digital as an opportunity to transform systems and make use of Joint SDG Fund investment to align with and enable other sources of funding and financing, such as governments, the private sector, IFIs, the EU, and other partners in support of SDG acceleration.
2. Advancing global connectivity and digital inclusion in underserved areas; digital public goods; digital capacity-building, digital skills, and education; digital human rights; strengthening data governance and privacy; and/or improving gender equality.
3. Creating opportunities for interventions that draw on the UN’s capabilities to work simultaneously and jointly across multiple areas of policy, capacity, and infrastructure, producing a cross-sectoral contribution to accelerating the progress on the SDGs.

More specifically, the Fund annual calls will focus on a set of pre-agreed digital domains (‘offerings’, such as digital government transformation, inclusive connectivity) while assuring strong coherence via cross-cutting digital drivers, stemming from the EU digital policy priorities (such as digital human rights, digital capacity building, gender equality, leaving nobody behind). There will be 5 offerings, as listed in 3.2 Indicative Activities.

#### 3.2 Indicative Activities

The Joint SDG Fund will enable integrated support to partner countries in alignment to their national priorities and promote the development of human-centric digital policies/regulation in line with the EU principles. Demand-driven, context-specific and UN Sustainable Development Cooperation Frameworks UNSDCF-based Joint Programmes shall be designed and delivered by UNCTs in partnership with national and other relevant stakeholders.

There will be five offerings to the Governments based on UN Digital Roadmap and in line with the EU digital priorities:

### Output 1

1. Government service systems transformation. This area focuses on transforming how the Government designs, builds, delivers and improves digital services. Potential areas of work include digital health, digital social protection, and e-government such as digital public administration, digital payment and transparency, and digital government platforms.

### Output 2

2. Inclusive digital connectivity. The Fund and mobilised local governments and private sector shall focus on creating a favourable policy and financing environment for internet and digital services access, particularly to ensure that those who are most marginalised and vulnerable gain access to and benefit from digital connectivity. Areas of work include the development of new business models for connectivity as well as of human-centric solutions, and therefore special financial tools that focus on ensuring that those left behind gain secure, safe, and open access to and genuinely benefit from connectivity.

3. Digital finance and payment systems. This area focuses on enabling the financing ecosystem for SDGs and digital payment systems in the private and public sectors. Areas of work include opening new opportunities and strengthening ecosystems to accelerate financing for the SDGs through new financial tools and systems, the expansion of existing solutions, and financial solutions such as secure digital finance platforms, digital cash transfers, mobile (money) payments, and digital insurance.

4. E-commerce, market access, and trade enablement. This area focuses on leveraging digital to enable trade and market access. Areas of work include building the readiness of micro, small, and medium-sized businesses to engage in and benefit from e-commerce and digital trade, the development of digital ecosystems for trade, and boosting digital entrepreneurship.

### Output 3

5. Digital for the planet. This area focuses on digital transformation enabling climate action, disaster risk management, and natural resource management. Areas of work include the digital and green transition of industries, digitally-enabled access to energy, sustainable mobility, and a digitally-enabled circular economy.

## 3.3 Mainstreaming

All Joint Programmes shall contribute to enhancing SDG performances, mainstreaming gender equality (the UN SDGF Gender Marker is already in use and the EU acting in the Technical Team will make sure specific gender indicators will be set in the Digital Window description for applications when launching funding rounds/calls), and addressing the principle of leaving no one behind. Interventions shall sustain or strengthen human rights, data governance and privacy (this also includes data protection).

## 3.4 Risks and Mitigating Measures

Risks	Risk level (H/M/L)	Mitigating Measures
<i>Financial/political/strategic</i>		
The Joint SDG Fund is not able to mobilise sufficient resources from	H	1. Build consensus among participating UN agencies on the importance of the Fund, to present strong UN-wide ownership message to potential donors.

donors to reach optimal operational levels.		<ol style="list-style-type: none"> <li>2. A resource mobilisation plan developed and implemented by the Strategic Advisory Group and Operational Steering Committee.</li> <li>3. Calls for proposals and allocation decisions based on minimum contributions of USD \$25 million/year.</li> <li>4. Adjust disbursement targets to reflect available resources.</li> </ol>
The Joint SDG Fund will be too much focused on resource mobilisation for the UN Country Team and too little on supporting SDG implementation in partner countries.	M	Regularly monitor SDG progress made in partner countries and, if necessary, raise the point bilaterally or via (rotating) participation in the Strategic Advisory Group.
Weak involvement of participating UN organizations (PUNOS) in the Joint SDG Fund.	M	<ol style="list-style-type: none"> <li>1. Ensure full buy-in and engagement of Participating United Nations Organisations (PUNOs) at senior and technical levels throughout Joint SDG Fund implementation phases by ensuring: <ol style="list-style-type: none"> <li>a. Robust financial incentives for PUNOS engagement;</li> <li>b. Drawing on expertise of HQ and Regional policy support.</li> </ol> </li> </ol>
Fund implementation is delayed due to decisions and changes introduced by government counterparts.	M	<ol style="list-style-type: none"> <li>1. Ensure regular communication with relevant government officials through the Joint Programme Steering Committee.</li> <li>2. Instalment payments based on progress towards working package (WP) milestones.</li> <li>3. Undertake rigorous monitoring and mid-term review of Joint Programmes to ensure that existing programme implementation framework is still appropriate and necessary adjustments are incorporated.</li> </ol>
<i>Programmatic/Operational/Institutional</i>		
Fund implementation is delayed due to constraints with PUNOS.	H	<ol style="list-style-type: none"> <li>1. Instalment payments based on progress towards WP milestones.</li> <li>2. Operational Steering Committee is kept informed of JPs that fall behind milestones so that funds can be reallocated to different programmes if necessary.</li> <li>3. Ensure strong oversight from UNDAF Results Group.</li> <li>4. Undertake rigorous monitoring and mid-term review of JPs to ensure that existing programme implementation framework is still appropriate and needed adjustments are incorporated.</li> <li>5. Ensure direct linkage of Joint Programme to UNDAF (and country programme document (CPD)) outcomes.</li> <li>6. Ensure HQ and Regional policy support to participating agencies.</li> </ol>
Fund implementation is delayed due to constraints with implementing partners.	H	<ol style="list-style-type: none"> <li>1. Instalment payments to JPs on meeting WP milestones.</li> <li>2. Ensure strong oversight from UNDAF Results Group.</li> <li>3. Ensure regular monitoring of JP implementation so that issues can be addressed at early stages.</li> <li>4. Ensure strong project management capacity of JPs.</li> </ol>



JP and UNDAF Results undermined due to poor quality of policy support provided through JP.	H	<ol style="list-style-type: none"> <li>1. PUNOS ensure critical minimum in-country policy capacity.</li> <li>2. Strong, ‘back office’ policy support in JF Secretariat.</li> <li>3. Effective HQ and regional policy support network to participating UN agencies in the Joint Programmes.</li> <li>4. Strong partnerships with global, regional and national external policy experts.</li> </ol>
Joint SDG Fund JP funding is mismanaged.	H [low probability, but high impact]	<ol style="list-style-type: none"> <li>1. Strong project management capacity in Joint Programmes.</li> <li>2. Strong oversight by the Joint Programme Steering committee.</li> <li>3. Disclosure of information according to International Aid Transparency Initiative standards. In addition to publishing information on the JF website, information shall be shared broadly at country level.</li> <li>4. Joint Programme management closely follows operational policies and procedures of managing agent and participating agencies.</li> </ol>
Joint SDG Fund shows limited results in terms of SDG implementation.	H	<ol style="list-style-type: none"> <li>1. Capture development results systematically at the country level.</li> <li>2. Ensure that data is fit for aggregation within the SDG indicator system.</li> </ol>
Joint SDG Fund shows limited effectiveness in accelerating and up-scaling SDG opportunities.	H	<ol style="list-style-type: none"> <li>1. Lessons learned on up-scaling and added value of SDG fund are monitored.</li> <li>2. Up-scaling of funds is monitored.</li> </ol>
Joint SDG Fund achievements have limited impact on demonstrating how the UN and EU provide both integrated policy support and financial additionality to the SDGs.	M	<ol style="list-style-type: none"> <li>1. Effective communication/dissemination of Joint Fund results and the UN and EU engagement, of knowledge and lessons learned across the UN system at regional and global levels.</li> <li>2. Effective donors’ activity and results communication, knowledge and best practice sharing among beneficiary JPs and across the UN system at the country level.</li> <li>3. Strategic Advisory Group and Operational Steering Committee engage with agency leaders to advocate for the adoption of an integrated and coherent approach.</li> </ol>

### 3.5 The Intervention Logic

This Action is meant to promote digital transformation as a catalytic opportunity to accelerate SDG impact; advancing digital transformation informed by UN and EU principles; and leveraging the comparative advantages and capacities of the UN development system to bring about integrated support and policies for inclusive digital transformation.

The Window’s funding is primarily expected to support country-level impact through the implementation of Joint Programmes led by Resident Coordinators at the UN Country Team level (‘Joint Programmes’ are programmes implemented by at least two UN entities). The Fund is indeed open to all UN Country Teams (UNCT), and proposals shall be submitted by UNCT through the RCs on behalf of the participating agencies based on planned results reflected in the UN Development Assistance Framework (UNDAF).

The Window will operate through a series of funding rounds investing in both mature, transformative Joint Programmes and exploratory work to develop a pipeline of catalytic Joint Programmes.

The Window shall take a bottom-up approach to allow for a diversity of digital transformation needs across countries (management of resources is therefore guided by the principles of national ownership). While country-level initiatives will have their own unique results, the Window will identify a limited set of core results that can be aggregated across all Joint Programmes.

The bottom-up nature of the Window and the range of transformation needs it will serve make it impractical to prescribe a detailed KPI framework a priori. Key performance indicators at the outcome level shall be tailored to each Joint Programme.

### 3.6 Logical Framework Matrix (for Digital Window)

The present logframe is based on the concept note for the Digital Thematic Window as approved with several UN entities. The guidance for applications for this window (Description of the funding round) will offer possibilities to introduce more concrete results and indicators. Through its contribution, the EU will be in the Technical team that will develop and approve that guidance.

At action level, the indicative logframe should have a maximum of 10 expected results (Impact/Outcome(s)/Output(s)).

It 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.

Digital Transformation Window Objectives	Core Results/Indicators	Programme-specific Results/Indicators
1. Promote digital transformation as a catalytic opportunity to accelerate SDG impact: encourage interventions that make use of digital as an opportunity to transform systems; and leverage Joint SDG Fund investment to align with and	<ul style="list-style-type: none"><li>• Number of sectoral or cross-sectoral policies or solutions that are created or transformed through digital means to improve access, coverage, inclusiveness, service delivery, etc. (# of policies).</li></ul>	<ul style="list-style-type: none"><li>• Each Joint Programme shall include at least two or more SDG indicators directly at the impact level. Where appropriate, these shall be measured through the Meaningful Connectivity indicators.<sup>1</sup></li></ul>

<sup>1</sup> Alliance for Affordable Internet (2020). [Meaningful Connectivity: A New Target to Raise the Bar for Internet Access](#). 18 October, 2022.

<p>enable other sources of funding and financing (e.g., governments, the private sector, IFIs, the EU, and other partners) in support of SDG acceleration.</p>	<ul style="list-style-type: none"> <li>• Increased access measures: how many people have become meaningfully connected<sup>2</sup> or have their barriers to accessing services removed? (# of people disaggregated by gender, and population groups).</li> <li>• Reports on client use cases and satisfaction levels of new digital services or offerings (reports).</li> <li>• Additional financing and resources catalysed. These do not need to be transferred directly to the Joint Fund. This indicator can include Government commitments to making follow-on investments in the policies and solutions directly supported by the Joint Programme, or investments from the private sector, IFIs, donors and other investors – in the wake of improved policies, public goods and services created by the Joint Programme (dollar and dollar-equivalent).</li> </ul>	<ul style="list-style-type: none"> <li>• Integrated approaches should also lead to increased quality of services and a variety of other outcomes in connection with a number of SDGs. These results shall be measured in ways that are specific to each Joint Programme and their SDG linkage.</li> </ul>
<p>2. Advance digital transformation informed by UN principles: ensure interventions support the implementation of crosscutting priorities in the UNSG's Roadmap for Digital Cooperation and the proposed Global Digital Compact. This includes advancing global connectivity and digital inclusion in underserved areas; digital public goods; digital capacity-building, digital skills, and education; digital human rights; strengthening data governance and privacy; and/or improving gender equality.</p>	<ul style="list-style-type: none"> <li>• Reports on regulatory and legislative measures developed and adopted to ensure inclusiveness and the protection of digital human rights e.g., data protection, digital ID, use of surveillance technologies, online harassment, etc. (reports).</li> </ul>	<ul style="list-style-type: none"> <li>• Results shall be measured in ways that are specific to each Joint Programme based on national priorities and detailed Joint Programme Results Framework, depending on the specific country-level contribution to the Roadmap.</li> </ul>
<p>3. Leverage the comparative</p>	<ul style="list-style-type: none"> <li>• Multi-sectoral coordination</li> </ul>	

<p>advantages and capacities of the UN development system to bring about integrated support and policies for inclusive digital transformation: encourage interventions that draw on the UN's capabilities to work simultaneously and jointly across multiple areas of policy, capacity, and infrastructure, producing a cross-sectoral contribution to accelerating the progress on the SDGs.</p>	<p>mechanisms established or reconfigured to provide oversight on digital transformation (# mechanisms established or reconfigured).</p> <ul style="list-style-type: none"> <li>• UN Country Team support and capacity building provided to devise or adopt inclusive national digital strategy/policy (# of policies supported).</li> <li>• UN tools used and/or knowledge products produced that have directly resulted in development of integrated digital policies/solutions (# of integrated policies or solutions).</li> </ul>	
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## 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 sections 3.1 and 3.2 will be carried out and the corresponding contracts and agreements implemented, is 36 months from the date of the adoption of this Financing decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

### 4.3 Implementation Modalities

The Commission will ensure that the EU appropriate 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>2</sup>.

<sup>2</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.

#### 4.3.1 Indirect Management with a pillar assessed entity

This Action will be signed and implemented in indirect management with the United Nations Development Programme (pillar assessed) represented by its Multi-Partner Trust Fund Office.

The UNDP, which houses the UN Multi-Partner Trust Fund Office, has been selected given that it (pillar assessed) has been established to receive, consolidate, manage and account for all contributions and financial transactions of the Joint SDG Fund, in a transparent and effective way.

The Joint SDG Fund is an inter-agency multi-donor trust fund and a central component of the reform of the UN Development System, which has been agreed by UN Member States.

At the country level, management of Joint Fund resources is guided by the principles of national ownership in supporting national priorities and is embedded in existing UNCT structures and processes. The focus on joint UN action enables UNCTs to develop systemic responses that simultaneously address policy, capacity, and infrastructure needs for transformation.

The UN provides three distinct advantages as a digital transformation partner to Governments:

- A non-commercial, human-centric, and planet-focused approach.
- The ability to convene and align stakeholders across Government, the private sector, and civil society.
- A focus on inclusion.

#### 4.3.2 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).

### 4.4 Indicative Budget

<b>Indicative Budget components<sup>3</sup></b>	<b>EU contribution (amount in EUR 2023)</b>	<b>Third party contribution in currency identified</b>
Implementation modalities – cf. Section 4.3.		
Objective: Outputs Section 3.1 composed of		

<sup>3</sup> N.B: The final text on audit/verification depends on the outcome of ongoing discussions on pooling of funding in (one or a limited number of) Decision(s) and the subsequent financial management, i.e. for the conclusion of audit contracts and payments.

Indirect management with UNDP represented by its MPTFO cf. section 4.3.1	30 000 000	N/A
<b>Evaluation</b> – cf. section 5.2 <b>Audit</b> – cf. section 5.3	May be covered by another Decision	
<b>Totals</b>	30 000 000	<b>N/A</b>

## 4.5 Organisational Set-up and Responsibilities

The UNDP's Multi-Partner Trust Fund Office will report annually on the implementation of the Joint SDG Fund. The Commission will sit in its Strategic Advisory Group and carefully follow the implementation of the Fund, ensuring cooperation with both the Commission and EU Delegations.

The decision on allocation of funding is done by the Joint SDG Fund Operational Steering Committee (OSC), which is a part of the Fund's global governance. This constitutes a standard mechanism and part of the standard agreement between the Joint SDG Fund and a donor. That was the same for the previous EU contribution to the Fund (for the INFFs).

There are also separate Steering Committees of Joint Programmes at country level – those are established after a new Joint Programme is approved and launched, and they manage implementation of these Joint Programmes (typically include government, UN Resident Coordinator, UN agencies, other partners). Global governance and partners are not involved in those mechanisms at country level.

However, the Joint SDG Fund Secretariat proposed for the EU to join the Technical Team (TT). TT would develop the description of the first funding round and conduct technical review of proposals to assess their quality and alignment with selection criteria. The TT for the first funding round will be composed of: Fund Secretariat, DCO, EU and ITU-UNDP (with possible consultative role of other UN agencies and stakeholders).

## 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.

SDG indicators and if applicable any jointly agreed indicators should be taken into account.

Reports shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

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).

The EU shall carefully examine the impact of the implementation of its contribution to the Joint SDG Fund. To serve the purpose, reports of the Office of Internal Audit (OIA), Office of Internal Oversight Services (OIOS), the annual Secretary General's report on the implementation of the RCs reform, Joint SDG Fund

Annual Reports, SDG Financing Reports, Integrated Policy Reports, UN Country Reports, assessments of the Multilateral Organisation Performance Assessment Network (MOPAN) as well as other non-formal means, including EU internal surveys on EU Delegations engagement with UN RCs will be used.

## 5.2 Evaluation

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

In case an evaluation is not foreseen, the Commission may, during 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 shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

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 audits or expenditure verification assignments for one or several contracts or agreements.

The financing of the audit shall be covered by another measure constituting a financing decision.

## 6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

All entities implementing EU-funded external actions have the contractual obligation 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. To that end they must comply with the instructions given in the 2022 guidance document [\*Communicating and raising EU visibility: Guidance for external actions\*](#) (or any successor document).

This obligation will apply equally, regardless of whether the actions concerned are implemented by the Commission, the partner country, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU Member States. In each case, a reference to the relevant contractual obligations must be included in the respective financing agreement, procurement and grant contracts, and delegation agreements.

For the purpose of enhancing the visibility of the EU and its contribution to this Action, the Commission may sign or enter into joint declarations or statements, as part of its prerogative of budget implementation and to safeguard the financial interests of the Union. Visibility and communication measures should also promote transparency and accountability on the use of funds. Effectiveness of any communication activities undertaken relating to the Action, as well as on EU funding of the Action, should be measured.

Implementing partners shall keep the Commission and the EU Delegation/Office fully informed of the planning and implementation of any specific visibility and communication activities sufficiently in advance of implementation, in order to maximise impact.

Implementing partners will grant the EU the right to use any communication material which directly relates to the action for the EU's own communication and visibility purposes related to the Action.

For this Action, the guidance and instructions in the Joint Visibility Guidelines for EU-UN actions in the field, or any successor document, will be applied. Where relevant, these Joint Visibility Guidelines or its successor document will be complemented by the guidance document [\*Communicating and raising EU visibility: Guidance for external actions\*](#) (or any successor document).



## APPENDIX 1 REPORTING IN OPSYS

<b>Option 1: Action level</b>		
<input checked="" type="checkbox"/>	Single action	Present action: all contracts in the present action
<b>Option 2: Group of actions level</b>		
<input type="checkbox"/>	Group of actions	Actions reference (CRIS#/OPSYS#): <Present action> <Other action>
<b>Option 3: Contract level</b>		
<input checked="" type="checkbox"/>	Single Contract 1	Support to the United Nations Joint SDG Fund
<input type="checkbox"/>	Single Contract 2	N/A
<input type="checkbox"/>	Single Contract 3	N/A
<input type="checkbox"/>	Group of contracts 1	N/A